

DAILY REPORT

China

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REPRESENTATIVE SPEAKS AT UN SECURITY COUNCIL

OW260918 Beijing XINHUA in English 0905 GMT 26 Jul 85

[Excerpt] United Nations, July 25 (XINHUA) -- The United Nations Security Council today urged the South African Government to immediately lift the state of emergency and release all political prisoners. The Security Council meeting was convened at the request of France and the African group at the United Nations. Representatives from more than 10 countries including the five permanent member states of the Security Council spoke at the meeting.

Chinese representative Qian Yongnian pointed out that by declaring a state of emergency in 36 cities, towns and districts on July 20th, the South African authorities had stepped up their repression.

Qian urged the Security Council to take immediate action, including putting pressure on the South African Government to lift the state of emergency and release all political detainees including Nelson Mandela and other black leaders. "The Council should further call upon the member states of the United Nations and the entire international community to adopt various sanctions against South Africa," he said.

Speaking as chairman of the African group at the U.N. for the month of July, Seydou Niare of Mali strongly condemned the South African Government for consolidating and perpetuating the apartheid system. "The only solution is the total elimination of apartheid," he said, and on behalf of the African group, he asked that appropriate action be taken against the Pretoria regime.

Delegates from China, Egypt, India, Thailand and the Soviet Union all appealed to the Security Council to take "comprehensive, mandatory sanctions" against the South African authorities.

Representatives from the United States and Britain called for "fundamental reforms" and for an end to the system of apartheid, but expressed their opposition to imposing sanctions against South Africa.

JURIST RECEIVES JUSTICE AWARD AT CONFERENCE

OW260623 Beijing XINHUA in English 0247 GMT 26 Jul 85

[Text] West Berlin, July 25 (XINHUA) -- The 12th world law conference being held here today conferred the world justice award on Zheng Tianxiang, president of China's Supreme People's Court in recognition of his contributions to reform of the legal system in China. The award is the highest honor given by the "World Peace Through Law Center" at each of its biennial world conferences. This international judicial organization has a membership of 100,000 people in more than 140 countries.

After accepting the award on behalf of Zheng, Vice-President of the Supreme People's Court Ren Jianxin, now attending the law conference, read a statement by Zheng Tianxiang thanking the organization for the honor.

Zheng said that receiving the award was not only an honor for him, but also an appreciation of the legal system construction in China and an expression of friendship for Chinese jurists and people. He praised the "World Peace Through Law Center" for its work on the problems of peace and development and wished it new success in the cause of safeguarding world peace.

Conference Ends

OW261902 Beijing XINHUA in English 1850 GMT 26 Jul 85

[Text] West Berlin, July 26 (XINHUA) -- The 12th conference on the law of the world concluded here today, delivering a "Berlin announcement" calling upon the peoples of the world to work for the destruction of nuclear weapons. The announcement pointed out that the world is being threatened by the rapidly increasing number of nuclear weapons. It has become a must to ban the production of nuclear weapons and destroy all nuclear weapons including nuclear warheads and the means of delivery. It demanded all the countries to make efforts to this end.

Peaceful means should be used in solving all the disputes, it noted. Measures should be taken to prevent and stop terrorism, racial and religious conflicts.

It insisted that the developed countries bear special responsibility in helping the drought-striken peoples in some parts of the world and in the establishing of a peaceful relations between developed and developing countries.

It also called upon all the countries to sign an agreement on sea law. The conference also passed 16 specific resolutions adopted by special groups under the conference that include disarmament, anti-terrorism, establishing a new international economic order, energy law. Representatives to the conference agreed to the proposal put forward by the Yugoslavian delegation to set up a standing committee to discuss the establishment of a new international economic order.

After the closing ceremony, the sponsor of the conference -- "The World Peace Through Law Center", held a special meeting attended by the leaders of the center and the heads of delegations to the conference. Ren Jianxin, head of the Chinese delegation, vice-president of the Supreme People's Court of the People's Republic of China, was elected the member of the Executive Committee of the center.

SECOND ANTARCTIC EXPEDITION PLANNED FOR NOV

OW271736 Beijing XINHUA in English 1653 GMT 27 Jul 85

[Text] Beijing, July 27 (XINHUA) -- A second Chinese team will leave for Antarctica in November, following last winter's successful expedition, it was announced today. This was decided by a plenary session of the National Committee for Antarctic Research, which ended here today.

The team, to be composed of 30 people, will study geology, landforms, geophysics, marine hydrometeorology and marine biology, and carry out mapping operations. Ten of them will spend the winter on Antarctica.

The team plans to invite a number of foreign scientists and foreign citizens of Chinese origin to join the expedition, a committee official said.

China's first expedition there, composed of 591 members, left Shanghai on November 20, 1984, and returned to Shanghai on April 10.

The team built the "Great Wall" station there and gave Chinese names to mountains, lakes and bays near the station. They collected a huge amount of specimens and scientific data, and made progress in 14 research projects.

FURTHER COVERAGE OF LI XIANNIAN'S VISIT

Meets Illinois Governor

OW261838 Beijing XINHUA in English 1831 GMT 26 Jul 85

[Text] Chicago, July 26 (XINHUA) -- Visiting Chinese President Li Xiannian met here today at the Drake Hotel with Governor of the State of Illinois James Thompson. It is learned that they exchanged views on further developing economic and trade ties between China and the State of Illinois.

Thompson expressed his willingness to further expand the economic and trade relations between his state and China. President Li expressed his appreciation for his remarks and said he welcomed Thompson to visit China again. Thompson visited China in March this year.

Illinois has established a trade office in Liaoning Province, northeast China. It has enjoyed a friendly relationship with the Chinese province since 1983.

ABC Interview

OW262142 Beijing XINHUA in English 2122 GMT 26 Jul 85

["President Li Says His U.S. Visit Successful" -- XINHUA headline]

[Text] Washington, July 26 (XINHUA) — Chinese President Li Xiannian said that his current visit to the United States "has been proceeding smoothly" and "has been a success." Li said this in an interview with the American Broadcasting Corporation (ABC) yesterday at the Madison Hotel here before leaving for Chicago. ABC broadcast part of his interview this morning. Li expressed his appreciation of President Ronald Reagan's effort to meet with him personally shortly after his operations. This "is in itself an indication of the success of the visit," he said.

During the talks with the American leaders, Li said: "I found that we have much in common. We have differences, of course. But through our joint efforts, we have overcome some of the differences. This is the primary result of my visit."

Another result, he went on, is the signing of four agreements, including the one on cooperation in the peaceful uses of nuclear energy. President Li reiterated China's stand on nuclear non-proliferation when asked about some U.S. congressmen's opposition to the signing of the agreement on the ground that there is no adequate guarantee for China not to transfer its nuclear technology to other countries. He said that it is true that China has not signed and does not agree to the nuclear non-proliferation treaty. But he declared emphatically that China is against nuclear proliferation and decidedly will not do anything of the kind. Premier Zhao Ziyang, he recalled, had made these two points explicitly clear when he visited the United States last year. And the premier stated this position at a subsequent session at the Chinese National People's Congress. The signing of the agreement, Li said, "is the result of the joint efforts made by China and the United States," which "shows the wisdom of President Reagan and the U.S. Government." He expressed the belief that many U.S. congressmen will think the same.

Asked about the Taiwan issue, Li answered that the bold and statesmanlike approach of "one country, two systems" applies to Taiwan too, and that the terms could be even more favorable to Taiwan. "Taiwan could pursue its own capitalism, while we on the mainland build our socialism; we will not send any of our Armed Forces to Taiwan. And foreign countries' legitimate economic interests in Taiwan will be protected.

"Now some people insist on reunifying China on the basis of 'the three people's principles.' This will not do. China had been ruled in the name of 'the three people's principles' for 22 years. The upshot of it was a country badly split and its people living in dire misery. 'The three people's principles' upheld by those people are not 'the three people's principles' advanced by Dr. Sun Yat-sen."

Answering the question if China would feel sometime in the future that it is being forced to resort to the use of force to settle the Taiwan issue, the Chinese president said, "We have always been and are in favor of reunifying the country by peaceful mean. But we will not commit ourselves not to resort to non-peaceful means."

Explaining China's family planning policy, Li said that his country has a huge population and that if this population is allowed to multiply, it could reach two billion or even more in a matter of years. "Then, many will starve. I venture to ask some of the congressmen to think it over: What is true humanitarianism and which is more humanitarian, to follow a course of allowing the population to multiply to an excess and then letting many of them starve, or to strive to control population growth, improve people's standard of living and their health, and provide them with a sound education?"

Asked about Sino-Soviet relations, the president said that these relations have improved somewhat. "But so long as the three obstacles are not removed, one can hardly think of normalizing Sino-Soviet relations. Even if the three obstacles are removed, Sino-Soviet relationship will not revert to that of an alliance like the one in the 1950's. China is now determined to follow an independent course of diplomacy; it will not enter into an alliance with one power or another. There is no reason for the United States to feel uneasy when Sino-Soviet relations improve; nor should the Soviet Union do so in the case of progress of Sino-American relations."

China on its part, he said, far from feeling uneasy, will be happy to see the success of the American-Soviet arms control talks in Geneva or the success of the projected meeting of President Reagan and General Secretary Gorbachev in November."

Visits Chicago Exchange

OW270058 Beijing XINHUA in English 0031 GMT 27 Jul 85

[By Zhao Zijian and Shi Lujia]

[Text] Chicago, July 26 (XINHUA) -- The world's largest futures market stopped for a brief moment today to welcome the visit of Chinese President Li Xiannian, the first head of state of a country to visit the place. As President Li walked into the visitor's lounge of the Chicago Mercantile Exchange (CME), some of the traders on the floor threw up a cloud of trading cards as a gesture of welcome. Then the trading resumed in the world's largest livestock futures market. The Chinese president, who is now making the third of his five stops in the United States, later this afternoon had a quieter day. He took a cruise on board of the Star of Chicago on Lake Michigan.

His host, a brokerage firm called Jefferies and Company, Inc., presented him a pair of crystal carvings, a bull that represents a bullish market, a bear the bearish one, and a trader jacket as used in the CME trading floor. Earlier today, President Li visited the Sears Tower, the world's highest building. The Chinese president will leave here for Los Angeles in the west coast tomorrow.

Inaugurates Chicago Consulate

OW270248 Beijing XINHUA in English 0235 GMT 27 Jul 85

[Text] Chicago, July 26 (XINHUA) -- Visiting Chinese President Li Xiannian tonight inaugurated a Chinese Consulate-General in Chicago, the fourth one in the United States. Together with Chicago Mayor Harold Washington, Li unveiled a bronze plaque dedicating the facility, chosen for America's third largest city, the one with the largest Chinese-American population in the Midwest. In his speech at the inauguration ceremony held in the Drake Hotel, State Councillor Ji Pengfei said the increased number of Chinese consulates-general in the U.S. and vice versa shows the continuous development of Sino-U.S. relations. The United States will open a consulate-general in Chengdu, the capital of Sichuan Province, later this year.

I hope that the economic, trade and cultural relations and the friendly exchanges between China and Chicago as well as the American Midwest will develop further, making contributions to the strengthening of Sino-U.S. relations and the deepening of the friendship between our two peoples," Ji Pengfei said.

In his speech, Washington said his city is "very proud to be chosen as one of only four places where Chinese consulates-general are opened." The mayor said the opening will further contribute to the cooperation between the U.S. and China. He told the gathering of about 1,000 that he will visit China next month to sign an agreement that bonds Chicago and China's northeast industrial city of Shenyang as sister cities.

Also speaking on the occasion was Joan M. Clark, assistant secretary of state for consular affairs. The ceremony was presided over by Chinese Ambassador to the United States Han Xu.

Chinese Vice-Premier Li Peng and member of the Standing Committee of the National People's Congress Wang Zhaoguo were among those attending the inauguration. China already has consulates-general in New York, San Francisco and Houston.

Li Peng PBS Interview

OW270832 Beijing XINHUA in English 0815 GMT 27 Jul 85

[Text] Chicago, July 26 (XINHUA) -- The aim of the economic reforms in China is "to build socialism with Chinese characteristics and not capitalism," Chinese Vice-Premier Li Peng said here today in an interview with the Public Broadcasting System (PBS). Excerpts of the interview with the vice-premier, who is accompanying President Li Xiannian on his state visit to the United States, were broadcast by PBS this evening.

Discussing the economic reforms in China, Li Peng explained that "the essence of our reforms is to make use of scientific methods as well as advanced managerial methods to further raise China's economic efficiency and speed up our economic development." Therefore, he said, "we will adopt some useful and good methods practised in capitalist society and we will also continue with our own good methods".

"There are two points which are very important," he added. First, "in view of China's economic structure, the socialist economy is always the predominant element. There are some capitalist economic elements, for instance, those in our joint ventures with foreign enterprises. But the capitalist element is quite limited in the whole economic structure. From the point of view of development, the socialist elements will develop faster than the capitalist elements.

"On the question of distribution of wealth, we are now advocating that some people and some regions become better off ahead of the others. Yet our ultimate goal is to bring common prosperity to all the Chinese people." Asked if this policy will bring about gaps between the rich and the poor and give rise to individualism, Li Peng said that "China suffered a great deal by resorting to egalitarianism in the past when many people lacked initiative in production. Now we practise the policy of 'earning according to one's work,' which can give impetus to people's initiative. Those who first become better off by relying on their own labor can set an example for other people to learn from. In this way, production in the whole of society will develop."

Replying to a question on how China is going to fight the capitalist concept of value, Li Peng said that China will mainly rely on education and publicizing. "We will praise those who have made contributions to the construction of the four modernizations, encourage the spirit of dedication, the enterprising spirit, and the spirit of helping other people, and publicise good moral behavior. We will never launch political movements as in the past, because the launching of political movements hurt people a great deal and is not effective," he stressed.

Looking into the future in the next twenty years, Li Peng said that he is full of confidence in the future of China. "We can reach the goal of quadrupling the total GNP at the end of this century with the achievement of one trillion U.S. dollars GNP." He said that in order to reach this goal China must maintain an annual growth rate of 7 percent. The present growth rate is, in fact, higher than the above-mentioned one, he added.

Asked if China will continue to carry out the policy of economic reforms as Chairman Deng Xiaoping and a number of other Chinese leaders become aged, Li Peng said that there will be no problem on this. He said that Chairman Deng Xiaoping is the chief architect of China's modernization program. "He is now in good health, and we all wish him a long life," he said. In China today, he added, "there have emerged large numbers of fairly young cadres with modernizing skills and devotion to the cause of socialist construction both in the central government and in the different localities. This is also an important guarantee to ensure that our existing policy will continue."

Asked about his own future in the Chinese Government, Vice-Premier Li Peng said "I will be very glad if the state needs me to continue to work at my present post." But, he added, "as you know I am an electric engineer, and I will also be very glad to return to my original work. One important reform in the Chinese cadre system is the abolition of the system of 'being life-long cadres.' One can be an official and an ordinary citizen as well."

Commenting on President Li's visit to the United States, Li Peng said it had been very successful so far. The talks between President Li and American leaders including President Ronald Reagan, Vice-President George Bush and Secretary of State George Shultz all went very well. During the visit, he said, the two sides signed four agreements, including an agreement on cooperation in the peaceful uses of nuclear energy. The signing of this agreement is beneficial to both China and the U.S., Vice-Premier Li noted.

Li Peng Visits Ford Plant

OW270434 Beijing XINHUA in English 0423 GMT 27 Jul 85

[Text] Chicago, July 26 (XINHUA) -- Chinese Vice Premier Li Peng visited a plant of the Ford Motor Company here this afternoon, where he was accorded a warm welcome by Donald E. Peterson, chairman of the board of the company.

When greeting the Chinese premier at the Chicago passenger car assembly plant at the southern suburbs of Chicago, Peterson recalled his cherished meeting with Chairman Deng Xiaoping during his 1978 China visit.

With sales of more than 5.6 million cars, trucks and tractors in well over 150 countries, the company ranked second in the world last year. The company has altogether 17 plants in the United States where Ford motor vehicles and tractors are assembled.

After a brief introduction of the company, Peterson guided the vice premier to an assembly line for a walking tour of the 40-acre facility. Li watched with keen interest the operations of the body, paint and trim sections and the final assembly. Li Peng and Wang Zhaoguo, member of the Standing Committee of the National People's Congress who has many years of experience in motor vehicle manufacturing, sat in a just-assembled car for a test drive. Peterson told XINHUA that he is confident that Li's visit will help promote cooperative relations and business contact between Ford Company and its Chinese counterparts.

Earlier today, the vice premier attended a luncheon hosted in his honor by James R. Thompson, governor of the State of Illinois.

Li Xiannian Leaves For Los Angeles

OW271524 Beijing XINHUA in English 1518 GMT 27 Jul 85

[Text] Chicago, July 27 (XINHUA) -- Chinese President Li Xiannian left here at 10:10 a.m. local time today for Los Angeles to continue his visit to the United States. During his two-day stay here, the Chinese president met with Governor of the State of Illinois James Thompson and had talks with him on further developing economic trade ties between China and the State of Illinois. President Li also toured the world's tallest building -- the Sears Tower, the Chicago Mercantile Exchange, and toured by boat the Chicago harbor. President Li and his wife Lin Jiamei and other officials accompany him will stay in Los Angeles for two days.

Los Angeles Arrivel

OW280040 Beijing XINHUA in English 0030 GMT 28 Jul 85

[Text] Los Angeles, July 27 (XINHUA) -- Chinese President Li Xiannian arrived here today at 12:30 p.m. local time to continue his visit to the United States after a two-day stay in Chicago. President Li was welcomed at the Los Angeles International Airport by Tom Bradley, mayor of Los Angeles; Leo McCarthy, Lt. Governor of California; Mr Don Mulford, representative of the governor and chief of protocol of the state; and Tang Shubei, Chinese consul-general at San Francisco who made a special trip here.

The Chinese president was also welcomed at the airport by a crowd of Overseas Chinese, Chinese-Americans and Chinese students and visiting scholars here. President Li walked towards the cheering crowd and clapped his hands to express his thanks to them.

Los Angeles is the largest city in the western coast of the United States, and the second largest city in this country, where the world-famous Hollywood motion pictures and television center is situated. The 23rd Olympic Games was held here last year. President Li will stay in Los Angeles for two days.

Views Peace, Development

OW280832 Beijing XINHUA in English 0817 GMT 28 Jul 85

[Text] Los Angeles, July 27 (XINHUA) -- China's relations with other countries "do not depend on the nature of social system and ideology," declared Chinese President Li Xiannian here this evening. He also reiterated China's independent foreign policy of peace. The Chinese president was addressing a dinner party co-hosted in his honor by the mayor of Los Angeles and the Los Angeles World Affairs Council. Li Xiannian arrived here earlier today from Chicago for a three-day visit to California.

On the question of peace, President Li said that the world people "long for durable peace and stability." However, he noted, "the world is far from tranquil, and the danger of war still exists." He said: "The people of all countries are opposed to arms race. They want to prevent war. The voice for world peace has become ever louder, and the forces against war are growing steadily. We believe that so long as the people of the world take their destiny into their own hands, strengthen their unity and persevere in their efforts, it is possible to prevent large-scale world war for a considerably long period of time, and the prospects for world peace are bright."

"The Chinese Government pursues an independent foreign policy of peace," he said. "The basic principle of China's foreign policy is to combat hegemonism and maintain world peace. China will not attach itself to any big power or group of powers, nor will it yield to any external pressure." "We believe that this independent position of ours is most conducive to world peace and stability," he stressed.

"Our relations with other countries do not depend on the nature of social system and ideology," he noted. "We maintain that the five principles of mutual respect for each other's sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful co-existence are sound principles for guiding the relations between states." He said that the principles guiding the relations between China and the United States, which have been defined in the three joint communiquees issued by the two governments, "accord in essence" with the above-mentioned five principles. He said that China hopes that "the two sides will abide by the agreements they have reached and honor their respective commitments so as to ensure steady progress in their relations." "It is likewise our hope that the Sino-Soviet relations will, on the basis of the Five Principles of Peaceful Coexistence, be normalized by removing the obstacles. We would also like to see improvement in the relations between the United States and the Soviet Union and those between Eastern and Western Europe."

On the question of development, the Chinese president showed concern about the widening economic gap between the developing and the developed countries. "The prosperity of the developed countries cannot possibly be built for long on the poverty of the developing countries," he stressed. "How to readjust the North-South relations and promote the economic development of the developing countries on a fair and reasonable basis has become an international issue closely related to peace and prosperity in the world."

Vice-governor of the State of California and about 2,000 personages from various circles in the region attended the dinner.

The president of the Los Angeles World Affairs Council, Edmonde A. Haddad, made welcoming remarks at the dinner. They mayor of Los Angeles, Tom Bradley, made a toast in which he said that the increased economic relations between China and Los Angeles have made the people of the two countries and their economy more prosperous. He believed that President Li's visit will certainly further promote the friendship between the two countries.

After ending his toast, Mayor Bradley presented President Li with a key of Los Angeles and said that "the door of Los Angeles is always open to you."

Li Peng Tours Waterways

OW280828 Beijing XINHUA in English 0809 GMT 28 Jul 85

[Text] San Jose, July 27 (XINHUA) -- Vice-Premier Li Peng and his party left Chicago, gateway to America's Midwest, on a chartered U.S. Air Force plane to see the inland waterway navigation system of the Mississippi River 150 miles west of Chicago. Accompanied by Robert K. Dawson, assistant secretary of the U.S. Army for civil works, the vice-premier boarded a towboat to the locks and dams No. 14 and 15, two of the 27 locks and dams on the upper Mississippi built in the early 30s by the U.S. Army Corps of Engineers. At lock and dam 15, the vice-premier viewed a commercial tow lockage and toured the control room.

U.S. waterways carry over 540 million metric tons of domestic freight each year. The Mississippi waterway, with a depth of no less than 9 feet, forms the busiest inland waterway in U.S. which handles over a third of the nation's inland waterway traffic.

On his way here, Vice-Premier Li stopped at the Nellis Air Force Base near Las Vegas to take a helicopter to visit Hoover Dam, the highest concrete arch dam in this country. Escorted by Robert Broadbent, assistant secretary of the interior for water and science, Vice-Premier Li toured the control room, the power house and took an elevator to the top of the 221-meter high dam. At a welcoming ceremony, the vice-premier was given a book by Broadbent containing a summary and proposals in both English and Chinese put forth by U.S. civil engineers on the designing and construction of the Three-Gorge project of the Yangtze River. Li Peng thanked the American engineering specialists and made it clear to them that China welcomes their participation in its civil engineering program.

Li Xiannian at Disneyland

OW290112 Beijing XINHUA in English 0059 GMT 29 Jul 85

[Text] Los Angeles, July 28 (XINHUA) -- Chinese President Li Xiannian, currently visiting Los Angeles, toured Disneyland this morning. In their frolicking ways that go hand in hand with the world famous amusement park, Mickey Mouse and Minnie Mouse greeted the president, showed him into a roped signature area, and had a picture taken with him.

When President Li signed on the official Disneyland guest book, an electronic display board on the opposite wall flashed "248,434,907," marking the 248,434,907th guest of the park since it opened 30 years ago.

Jungle cruise, where one meets with various fierce animals in forested river dales and natives of different intentions, was the president's favorite. He laughed at robot elephants playing with water a few feet away from the cruise boat.

Madame Lin Jiamei, wife of the president, liked the "Small World" best, a place where puppet boys and girls of all races and nationalities greet visitors with songs and dances. The Small World recently added a miniature "Great Wall" symbolizing China.

Mickey Mouse and Disneyland's "1985 ambassador" Melissa Taylor were on the real Great Wall in China last February. Now the Great Wall will be a permanent scene entertaining Disneyland's estimated 35,000 visitors each day.

At the end of the tour, President Li told U.S. Chief of Protocol Selwa Roosevelt who has been accompanying the president since the beginning of his U.S. trip that he had a very good day. Frank G. Wells, president of Walt Disney Productions, told President Li that he is greatly honored to host the president at the place and hopes to see him again in Beijing.

Tomorrow President Li will fly to Honolulu, his last stop, before going home on July 31.

Speaks on Reunification

OW290950 Beijing XINHUA in English 0937 GMT 29 Jul 85

["Chinese President on Reunification of China" -- XINHUA headline]

[Text] Los Angeles, July 28 (XINHUA) -- Chinese President Li Xiannian stressed here today the unification of China has always been the main trend of historical development and the concept of "one country, two systems" is a practical and feasible formula for Taiwan's return to the motherland. The Chinese president was speaking at a dinner hosted by organizations of Chinese Americans in Los Angeles here this evening. The dinner was attended by over 1,100 Overseas Chinese, Chinese Americans and Chinese students studying here.

President Li pointed out that since the first emperor of the Qin Dynasty unified China over 2,200 years ago, the unification of the country has always been the main trend of historical development. He stressed the importance of China's reunification by quoting Dr. Sun Yat-sen, the great pioneer of the Chinese democratic revolution, as saying: "China is a unified country. This concept has deeply etched in its history. It is this concept that has enabled China to survive as a country, despite the many destructive forces it has encountered."

He stressed that the ancient China is now progressing toward modernization and that the Chinese nation will make fairly great contributions to mankind and will also realize full reunification of the country.

President Li mentioned the 23rd Olympic Games held last summer in Los Angeles and said that the sons and daughters of China on both sides of the strait encouraged one another and scored a total of 15 gold, eight silver and 10 bronze medals, winning honor for the Chinese nation. He said the Chinese throughout the world were all filled with exultation. He noted that the Olympic Games in Los Angeles "not only left us medals, symbols of glory, but also demonstrated the cohesion of the Chinese nation which has closely bound us, the descendants of the Yellow Emperor, in a concerted effort for the rejuvenation and the reunification of our motherland."

President Li said the two social systems will coexist on the premise of the country's unification, that is to say, neither system will swallow up the other. He reaffirmed that the mainland "will send neither people nor troops to Taiwan and the interests of the Taiwan authorities and those of the parties concerned will be effectively safeguarded."

He added that all the fair-minded personages can see that "this concept is a studied, sincere and realistic one which represents a new major effort on the part of our government to this end."

He expressed his hope that compatriots in Taiwan and other overseas Chinese will "make efforts for the reunification of our motherland."

He also urged the Taiwan authorities to "size up the situation, conform to the aspirations of the people, and taking store of the righteous cause of the nation, join us in writing a new chapter of history."

The dinner proceeded in a strong sense of the love for the motherland and of their aspirations for the reunification of China. A band played the popular songs from both the mainland and Taiwan.

Representatives of Chinese organizations here also made welcoming speeches at the dinner.

Li Peng Visits Stanford

OW290954 Beijing XINHUA in English 0946 GMT 29 Jul 85

[Text] Los Angeles, July 28 (XINHUA) -- Vice-Premier Li Peng visited Stanford University this morning, where he was accorded a warm welcome by the university administration. Li Peng and his party, accompanied by the responsible personnel of the university, visited a laboratory of integrated circuit and the center of integrated system. He also exchanged views with the hosts on relations between scientific research and production and on ways to strengthen cooperation between China and Stanford University in education.

During his visit, he met with Chinese scholars and students studying in the university and encouraged them to study hard and devote their wisdom to the four modernization programs of the motherland when they return home.

The Chinese vice-premier also visited McDonnell-Douglas Aircraft Corporation this afternoon, where he received a warm welcome from the president of the corporation and more than 150 Chinese technicians there.

I. 29 Jul 85

PRC INTERNATIONAL AFFAIRS
SOVIET UNION

C 1

ARBATOV CALLS TALKS U.S. POLITICAL STRATAGEM

OW261336 Beijing XINHUA in English 1326 GMT 26 Jul 85

[Text] Moscow, July 26 (XINHUA) -- An authoritative person from Soviet Union today described the U.S. agreement on the holding of U.S.-Soviet talks as a "political stratagem." In an interview with the newspaper SOVETSKAYA ROSSIYA, Georgiy Arbatov, director of the Institute of U.S. and Canadian Studies at the Academy of Sciences of the USSR, said that that does not mean that the U.S. had changed its position, but was rather a new tactic taken by the U.S. in a new situation.

The U.S. always insisted on not holding talks with the Soviet Union until it had first gained superiority in military power. But this policy was opposed by its allies and the domestic peace forces, so the United States agreed to hold talks with the Soviet Union, he said.

Arbatov noted that in the present U.S.-Soviet talks, the only way out is to discuss the question of freezing the armaments of both sides. Like it or not, people have to face this inevitable question he stressed.

NEW SOVIET MISSILE COMMANDER APPOINTED

OW261328 Beijing XINHUA in English 1320 GMT 26 Jul 85

[Text] Moscow, July 26 (XINHUA) -- The Soviet Army paper RED STAR confirmed today that General Yuriy Pavlovich Maksimov has replaced 71-year-old Marshal Vladimir Tolubko as new commander-in-chief of the Soviet Strategic Rocket Forces.

At a pre-Navy Day meeting held here today, Maksimov was present for the first time in the capacity of deputy defense minister, said the RED STAR. His name was came after newly-appointed head of Soviet Armed Forces' Political Directorate, 57-year-old General Aleksey Lizichev.

The strategic missile command is considered to be the most important of the five main branches of the Soviet Armed Forces.

Maksimov, who 61 year old, entered Soviet Army in 1942 and served as Turkestan military district commander since 1979.

XINHUA REPORTS TRADE, SERVICES HEAD REPLACED

OW280647 Beijing XINHUA in English 0630 GMT 28 Jul 85

["Soviet Party's Fifth Department Chief Dismissed" -- XINHUA headline]

[Text] Moscow, July 27 (XINHUA) -- The chief of the Trade and Services Department of the Soviet Communist Party's Central Committee has been replaced, a report in PRAVDA indicated today. 76-year-old Yakov Kabkov is the fifth department chief of the Soviet Communist Party's Central Committee dismissed since Mikhail Gorbachev became party general secretary last March. Kabkov has held the post since 1965.

Nikolay Stashenkov, who had been deputy chief of the Trade and Services Department, was indentified as new head of the department by PRAVDA in its report of a meeting celebrating the Soviet trade workers' day.

The heads of the party Central Committee's Organisational and Party Questions, Machine-Building, Building and Propaganda Departments have also been replaced.

GORBACHEV STRESSES REFORM, MODERNIZATION

OW261638 Beijing XINHUA in English 1621 GMT 26 Jul 85

["Soviet Economic Reforms Explained" -- XINHUA headline]

[Text] Moscow, July 26 (XINHUA) -- Reducing the number of new construction projects, increasing investment in sophisticated technological industries and dissolving "all Soviet industrial combine" -- the intermediate organ between ministry and enterprises -- are included in the new Soviet economic reform.

The readjustment of investment policy and the reorganization of Soviet industrial administration have been brewing for quite some time.

Soviet leader Mikhail Gorbachev, in his urgent desire for economic reform, said recently that by cutting back new projects, more money will be available to modernize one-third of industrial enterprises by the end of 1990. Secondly, the Soviet Union decided to increase investments in machine-building, electronic, biology, metallurgy and chemistry.

As for the administrative reorganization, the all Soviet industrial combine will be dissolved. Most of the 800 non-productive staff employees of the combines will be transferred either to ministerial departments or to productive jobs in factories.

Gorbachev has again emphasized that the existing management system was formed in the 1940's and 50's and is now obsolete and has become "the obstacle to progress in science and technology."

To perfect the economic mechanism will take a long time and people should not lose confidence if the reforms do not work well in one or two years, he said. The principles of economic reforms are strengthening the central planning and efficiency, giving more rights to enterprises to heighten their responsibilities and managing in more economic means, Gorbachev said.

PRAVDA REPORTS FULFILLMENT OF INDUSTRIAL PLAN

OW251332 Beijing XINHUA in English 1326 GMT 25 Jul 85

[Text] Moscow, July 25 (XINHUA) -- The Soviet Union has fulfilled its industrial plan for the first half of this year, PRAVDA said today.

The value of output for the first half year increased by 3.1 per cent over the same period of last year, the paper said, and, it noted that those enterprises that had undertaken economic reform have recorded greater growth.

However, it pointed out that some ministries have not fulfilled their plans. The paper quoted a meeting of the Council of Ministers that was held yesterday as naming the oil Industrial Ministry, the Coal Industrial Ministry, the Ferrous Metallurgical Industrial Ministry as examples. It urged the leaders of these ministries to take all necessary measures to fulfill and, if possible, to overfulfill the plan for this year. Special attention should be given to the application of new scientific and technical methods of production and to realize the fulfillment of the second half year's plan by the increasing labor productivity.

I. 29 Jul 85

PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

E 1

INDONESIAN TRADE DELEGATION TO HOLD TALKS IN PRC

OW261534 Beijing XINHUA in English 1513 GMT 26 Jul 85

[Text] Hong Kong, July 26 (XINHUA) -- Indonesia today took another step toward reopening direct trade with China as the first government approved trade mission left Jakarta for Beijing via Singapore, reports reaching here said today. The two-week long trip that follows the signing of a memorandum of understanding between the two countries in Singapore three weeks ago will mark the reopening of direct trade between the two countries after an 18-year freeze in relations.

The mission, headed by Chamber of Commerce and Industry (Kadin) President Sukamdani Gitosarjono, is believed to number between 104 and 120.

Kadin spokesmen said yesterday Indonesia would be trying to interest Chinese buyers in such commodities as plywood, sawn timber, palm oil, cement, fertilizer and spices.

Meanwhile, Indonesian Government spokesmen ruled out again the possibility that the mission's departure today should be interpreted as a step toward a breakthrough in diplomatic relations.

However, a leading government intellectual was quoted in front page news reports as saying direct relations between Indonesia and China would be important to the stability of the region. Yusuf Wanandi, director in the Center of Strategic and International Studies said in an address that "direct relations between Indonesia and China in the future will be very important to the stability of our region, and Indonesia should be prepared for that in the sake of its national interests."

China and Indonesia suspended their trade and diplomatic ties in 1967. The two countries have been carrying out indirect trade through Singapore and Hong Kong.

Honored at Beijing Banquet

OW281400 Beijing XINHUA in English 1339 GMT 28 Jul 85

[Best] Beijing, July 28 (XINHUA) -- China is willing to expand economic and trade relations and strengthen various forms of exchange and cooperation with Indonesia in the spirit of equality and mutual benefit and helping supply each other's needs, said Wang Yaoting, chairman of the China Council for the Promotion of International Trade, here tonight. Wang was speaking at a banquet he gave for a delegation from the Indonesian Chamber of Commerce and Industries led by its President Sukamdani Sahid Gitosarjono at the Great Hall of the People.

The 120-member delegation is the first large trade mission from Indonesia after a memorandum of understanding on conducting direct trade between China and Indonesia was signed in Singapore on July 5 this year.

Wang said in his toast that China welcomed Indonesian industrialists and businessmen to hold business negotiations and invest in China so as to make new contributions to expanding bilateral economic and trade ties and friendly cooperation.

In reply, Sukamdani said the signing of the memorandum of understanding marked the resumption of direct trade between Indonesia and China after a suspension of 18 years. Direct trade can complement and benefit each other and strengthen each country's construction, he said.

He said he believed the talks the delegation was to have with relevant Chinese departments would achieve practical results, because both sides hope for friendship, understanding, mutual respect and sound cooperation.

The Indonesian delegation arrived here Saturday.

SINO-AUSTRALIAN DISARMAMENT TALKS 'SUCCESSFUL'

OW261945 Beijing XINHUA in English 1909 GMT 26 Jul 85

[Text] Canberra, July 26 (XINHUA) -- Visiting Chinese Foreign Minister Qian Qichen [title as received] and Deputy Secretary A.D. Campbell of the Australian Foreign Ministry today successfully concluded here the second round of talks on arms control and disarmament.

The two sides expressed determination to make further joint efforts for peace and stability in Asia, the Pacific and the world. An Australian spokesman told the press this afternoon that the talks are "successful".

The spokesman said, "a very strong impression" he had after two sessions of the talks yesterday and today is that "we do have a sense of convergence of attitudes in the whole area of arms control and disarmament."

He said the topics at the talks included the South Pacific nuclear-free zone, the nuclear non-proliferation, the non-proliferation treaty (NPT) and the NPT review conference in Geneva this September, and the U.S.-Soviet arms talks.

He concluded that "I think we can now say that we are on the business of active cooperation with China in the disarmament and arms control area, and we have found that we have a number of shared perspectives both globally and regionally."

Qian and his party will fly to Sydney tomorrow and stay there one day before returning home.

SATELLITE DISPLAYED AT SINGAPORE TRADE FAIR

OW271620 Beijing XINHUA in English 1608 GMT 27 Jul 85

[Text] Hong Kong, July 27 (XINHUA) -- The model of the first Chinese satellite and a China-made personal computer were the major attractions at the Singapore trade and industry fair 85, which opened today, said a report received here.

The first Chinese satellite was launched in April 1970 and had orbited the earth.

Twenty-two firms from China have taken part in the nine-day fair at the invitation of the Singapore Chinese Chamber of Commerce and Industry. Other Chinese exhibits include agricultural machinery, electric appliances, metallurgical and chemical products, silk, pottery and porcelain, carpets, traditional medicine and herbs and aviation, aeronautical and shipping models.

Companies from Australia, France, Hong Kong, Italy, Japan, New Zealand, Malaysia and Singapore are also taking part in the fair which will end on August 4.

I. 29 Jul 85

CHINA
PRC NATIONAL AFFAIRS

K 1

YANG DEZHI REMARKS ON ARMY REORGANIZATION

OW281540 Beijing XINHUA Domestic Service in Chinese 0802 GMT 28 Jul 85

[*'Newsletter' by XINHUA Reporters Liu Huinian and Yi Jianru: 'The Army Advances in the Course of Streamlining and Reorganizing Itself -- Interview With PLA Chief of General Staff Yang Dezhi'*" -- XINHUA headline]

[Text] Beijing, 28 Jul (XINHUA) -- On the eve of the "1 August" Army Day, XINHUA reporters called on Yang Dezhi, deputy secretary general of the Military Commission and PLA chief of General Staff, in the General Office of the Military Commission of the CPC Central Committee. They asked him to talk about the progress made by the Army in reforming its system and in streamlining and reorganizing itself.

Wearing a tan summer uniform, Chief of General Staff Yang was in high spirits. Coming straight to the point, he told the reporters: "The work of reforming and streamlining the Army is proceeding smoothly." Gesturing, he said: "The Chinese Government decided to reduce the Army by 1 million men. The important policy decision made by the enlarged meeting of the Military Commission on reforming the Army system and streamlining and reorganizing the Army shows that a change of a strategic nature has been completed in the guiding ideology for our Army-building. This is a dynamic principle in strengthening our Army-building. It will have a tremendous impact on building a modern and regular revolutionary Army with Chinese characteristics. Our Army is marching toward this goal with giant steps in the course of streamlining and reorganizing itself."

Speaking with a heavy Hunan accent, this old general who spent most of his life fighting for the revolutionary cause of the Chinese people introduced in detail the basis and the significant meaning of streamlining and reorganizing the Army. He said: If we reduce the number of armymen by 1 million, we will be able to save a great deal of expense for national defense each year. This will be of great benefit in concentrating our financial resources to carry out national construction and will quicken our pace in modernizing our Army.

Yang Dezhi then talked about the salient points in streamlining and reorganizing the Army. 1) The practice of reforming the Army system and the practice of streamlining and reorganizing the Army are being carried out simultaneously. They help each other advance. The work of personnel reduction has been closely linked with the work of "pulling down the temple," with the improvement of equipment, with the practice of straightening out work relations, and with the work of readjusting the structure of various organs. Efforts are being made to utilize reform to promote the work of streamlining and reorganizing the Army and to utilize the work of streamlining and reorganizing the Army to promote reform. 2) Key points have been made to streamline the various organs and the units directly under their administration. The scale of reduction-in-strength is fairly large in the PLA general departments, major military regions, various services and branches as well as in the various organs under the Commission of Science, Technology, and Industry for National Defense. 3) The changes in the Army system are momentous, and the task in streamlining and reorganizing the Army arduous. It is necessary to abolish and combine some military regions, disband a group of organs at the army and divisional levels. The People's Armed Forces departments in various counties and cities have been placed under the jurisdiction of the local authorities and the frontier guard units have been placed under the jurisdiction of the public security departments. Many people will leave the Army and many cadres need help for settlement in the course of streamlining and reorganizing the Army.

All these salient points indicate that our task in reforming the system and in streamlining and reorganizing the Army this time remains arduous. We must try our very best to accomplish our goal.

Yang Dezhi was apparently satisfied with the current situation in streamlining and reorganizing the PLA units. He said: Under the leadership of the CPC Central Committee and the Central Military Commission, the whole Army, from top to bottom, is firmly implementing the plan mapped out by the enlarged meeting of the Military Commission to ensure the triumphant fulfillment of the task of reforming the Army system and of streamlining and reorganizing the Army. He also emphatically pointed out the achievements in this respect as follows:

First, the Army's high-level leading bodies have been readjusted. Readjustment has been completed for the leading bodies of the three general departments; the Commission of Science, Technology, and Industry for National Defense; the military regions; and the various branches and services. Basically, they have assigned cadres to the echelons in accordance with the criterion of making the cadres younger in age. Yang Dezhi said: The readjusted leading bodies are smaller in size but highly trained, younger in average age and higher in knowledge structure. Take the three general departments, for example. The number of members of their leading bodies after readjustment has been reduced by 23.8 percent. The number of leading-body members of the military regions following the merger has been cut to half as many as before. In terms of average age, members of the leading bodies of the military regions are 8 years younger than before the readjustment. The youngest deputy director of the General Political Department is 44 years old. The youngest deputy chief of General Staff of the General Staff Department is only 42 years old. In terms of cultural and educational backgrounds, the majority of members of high-level leading bodies have either acquired a college-level education or have done advanced study at the military academies or schools. They have accrued fairly rich experiences in doing actual work in the service. Some of them are even combat heroes. This major breakthrough is a good example for the whole Army in making cadres younger in average age and carrying out the reduction-in-strength reorganization with good results.

Second, the various large units are stepping up the handing-over procedures between the old and new leading bodies. At the enlarged meeting of the Military Commission, members of the various military regions' leading bodies were appointed. These days the various large units' old and new leading bodies are permeated with an atmosphere of carrying forward the cause and of forging ahead into the future at a time when they are going through the handing-over procedure. Seeing that the interests of the party and the Army are more important than one's own, many old comrades who are veterans of countless battles have demonstrated the largeness of the heart of a communist and a strong party spirit.

Third, work has started to find jobs for the cadres included in the Army's current reduction-in-strength. The first batch of Army cadres transferred to civilian work have happily shed their military uniforms and returned to the localities to take part in various kinds of construction there.

Chief of General Staff Yang said: After the enlarged meeting of the Military Commission, the various units have all systematically transmitted and implemented the guiding principles of the meeting to unify the thinking of the commanders and fighters on the policy decision of the Central Military Commission. Judging from the reports from the lower levels, all cadres and fighters in the whole Army resolutely support the Chinese Government's decisions and its policy decision on structural reform and reduction-in-strength reorganization.

In particular, in the units designated to be deactivated, merged, reorganized, or downgraded, many old comrades scheduled to leave the leading bodies and large numbers of cadres facing a transfer to civilian work have consciously submitted to the interests of the overall situation. Realizing where the overriding importance lies, laying stress on unity, and observing discipline, they have displayed a high degree of awareness.

Yang Dezhi was very excited when he talked about these things. He told us reporters that many new signs have emerged throughout the Army with reform and reorganization as the impetus to various work. The various units have done a very good job in combat-readiness training, supporting the country's construction, training dual-purpose personnel capable of both military and local work, making joint Army-people efforts to build spiritual civilization and other tasks.

Looking foward to the future, Chief of General Staff Yang was full of confidence. He said: After implementing the policy decision of the enlarged meeting of the Military Commission, cr Army personnel and equipment have been reduced in quantity, but quality has improved; troops are better, and combined operations of the various services have been enhanced. This is conducive to developing the power of the various arms and services as an integral force. At the same time, the system of organization and the system of established strength are more scientific and Army offices at all levels have become smaller in size but more able and efficient. This will prove useful to increasing work efficiency in peacetime and doing battle and giving command in wartime, which means our Army's fighting power will be increased.

When we concluded our interview, our ears were still ringing with these resounding and forceful words of Chief of General Staff Yang: Following reduction-in-strength organization, the People's Liberation Army will definitely present a completely new look to the people of the motherland. It surely will make even greater contributions to the state with actual deeds in building and defending the motherland and will play its expected role in safeguarding world peace.

Stresses Education, Talent

OW270631 Beijing XINHUA Domestic Service in Chinese 1246 GMT 26 Jul 85

[Text] Beijing, 26 Jul (XINHUA) -- Addressing the 1985 graduating class ceremony of a military academy, PLA Chief of General Staff Yang Dezhi said today that the success or failure of the Armed Forces' modernization would be determined by competent personnel, and that the Armed Forces must be taught to respect knowledge, talented people, and education.

He said: The reform of military academies aims at training a large number of talented people with lofty ideals and utter devotion, who are capable of commanding modern warfare and the four modernizations, and who can perform their duties well in both military and civilian departments.

Yang Dezhi said: The restructuring of military academies is an important aspect of the Chinese Armed Forces' structural reform and reduction-in-strength reorganization. Since the 3d Plenary Session of the 11th CPC Central Committee, and especially since Comrade Deng Xiaoping chaired the Military Commission, significant progress and conspicuous results have been achieved in military education as well as in various other fields of military work. The large numbers of talented people trained for the Armed Forces have contributed significantly to their modernization. However, we must realize that for various reasons there is still a big gap between military education and the modernization of national defense.

The problems that have been discovered in the areas of teaching ideology, curricula, teaching methods, management, and training of teachers, must be earnestly dealt with in the course of the current structural reform and reduction-in-strength reorganization.

In his speech Yang Deshi underscored the need to study seriously the guidelines set forth in Comrade Deng Xiaoping's speeches, earnestly adhere to the guidance of the national educational conference, and do a good job in reforming the educational system of the military academies and in strengthening their management, so that the development of military academies can be ahead of the development of other operations of the Armed Forces. He added that efforts must be made so that a modern military educational system that keeps up with the nation's needs, and with characteristics unique to the Chinese Armed Forces can be established, and so that a number of key military academies with high educational standards and that are renowned at home and abroad can be established by the end of this century.

Yang Deshi also urged all comrades in the Armed Forces, especially those in leading positions, to realize fully that the success or failure of Chinese Armed Forces modernization is determined by competent personnel, and that an important way to produce competent personnel is to run the military academies properly. He said that operation of military academies must be considered as a major strategic project of the Armed Forces.

Leading comrades of the three PLA Headquarters Han Huaizhi, Zhou Keyu, and Zhao Nanqi attended today's graduation ceremony. Xiao Ke, commandant and political commissar of the military academy, also addressed the ceremony.

WANG HAI REPLACES ZHANG TINGFA AS AIR FORCE HEAD

HK261454 Beijing ZHONGGUO XINWEN SHE in Chinese 1353 GMT 26 Jul 85

[*"Wang Hai Appointed PRC Air Force Commander" -- ZHONGGUO XINWEN SHE headline]*

[Text] Beijing, 26 July (ZHONGGUO XINWEN SHE) -- On the 5th of this month, well-known "combat hero" Wang Hai replaced General Zhang Tingfa as PRC Air Force commander.

This is another major personnel reshuffle after the reshuffle of the commanders of various military regions. It is said that the PRC Navy commander will also change in the near future.

Wang Hai, a native of Weihai, Shandong, is 60 years old this year. In June 1946, he joined the PLA. Soon after he joined the Army, he began studying in the Northeast Aviation Academy and became one of the first batch of pilots trained by the PLA. In 1950, he was appointed group commander of a certain Air Force brigade. In the Korean battlefield, he was a well-known "combat hero" and achieved prominent merits. The group under his command downed and destroyed 15 enemy airplanes and he personally flew fighters to take part in the fighting, destroying 5 enemy planes and was granted the title of "grade one combat hero." After 1952, he was appointed regiment, division, and then deputy army commander. In 1969, he was head of a certain section of the Air Force Military Training Department. In 1975, he was commander of the Air Force of Guangzhou Military Region. In November 1982, he was appointed deputy commander of PRC Air Force. Wang Hai is the fifth commander of the PLA Air Force after Liu Yalou, Wu Faxian, Ma Ning and Zhang Tingfa.

It is learned from well-informed sources that General Zhang Tingfa will be appointed to another post. It is also said that before General Zhang left office, he time and again applied to the Central Military Commission for retirement and that he insisted that officers should be younger and better educated and recommended Wang Hai as his successor.

Reducing the 400,000 or more work force of the Air Force by 120,000 people is the first task for Wang Hai after he takes office. Li Xiaozhen, a soldier of the Air Force told this reporter in front of the Air Force Headquarters building: "Wang Hai is a well-known Air Force Commander. During the years in the Korean battlefield, he was a brave commander; and during the fighting with Vietnamese troops, he took part in commanding the fighting and was as brave as he had been in the years in Korea. However, things are different now that he has become commander of the Air Force. An urgent task for the Air Force now is modernization and in order to achieve the modernization, we must first cut down and reorganize our troops. I think that this will be a new test for the commander."

Wang on Air Force Quality

HK261459 Beijing ZHONGGUO XINWEN SHE in Chinese 1324 GMT 26 Jul 85

[Text] Beijing, 26 Jul (ZHONGGUO XINWEN SHE) -- Wang Hai, the newly-appointed commander of the Chinese PLA Air Force, told reporters a few days ago that the scientific and cultural quality of Chinese pilots had reached the highest level since the founding of the Chinese Air Force.

Wang Hai pointed out that the improvement in the quality of Chinese pilots is manifested in the following five aspects:

-- By this month, the Air Force pilots will have all acquired the educational level of senior middle school or above. One fourth of them have acquired college level education, thus changing the low educational level of Chinese pilots.

-- Not only secondary technical school courses, but also college and university courses have been opened in the aviation schools and preparatory aviation schools for training pilots. Pilots in these schools not only systematically review senior middle school courses, but also study college courses. Group after group of pilots with college diplomas keep coming to the pilot contingent.

-- Since 1983, a large number of university graduates who majored in relevant subjects and who have "bachelor's" degrees have been recruited from civilian and military institutes of higher learning. The first group has graduated and has been assigned to various combat units for active service. Thus, for the first time we have several hundred pilots with "bachelor's" degrees in the Chinese pilot ranks.

-- Since 1982, we have selected a large number of pilots over 20 to leave their jobs temporarily to study college English courses. The first group of pilots graduated last March and received university diplomas. The second class opened at the end of last June. Thus, for the first time we have pilots who know English in the Chinese pilot ranks.

-- There is a strong atmosphere of spare-time studies. At present, more than 1,200 pilots in the entire Air Force are receiving various forms of spare-time higher education and many of them have graduated. Wang Hai pointed out that improvements in the scientific and educational level of pilots has increased the combat effectiveness of China's Air Force.

RENMIN RIBAO REPORTS ON PROGRESS OF AIR FORCE

HK280350 Beijing RENMIN RIBAO Overseas Edition in Chinese 25 Jul 85 p 4

[Article by Li Ciying: "China's People's Air Force Forges Ahead"]

[Text] In 36 years of hard work since its formal organization in 1949, China's People's Air Force has developed into an armed force focused on aviation and including combat units such as antiaircraft guns, surface-to-air missiles, and parachute troops as well as support units such as radar and signals.

On 1 October 1949, when the grand ceremony was held to celebrate New China, only 17 propeller aircraft captured from the KMT forces flew over Tiananmen in an aerial review. The spectacle on National Day 35 years later, was magnificent. In the haze and poor visibility over Beijing that day, China's flyers in the formations being reviewed were piloting 94 bombers, ground attack planes, and fighters, all made in China; and despite the weather conditions, all of them flew over Tiananmen on schedule. The combat strength of China's People's Air Force is now the highest it has ever been. A hallmark of this is that the number of category A combat regiments is now more than double that for 1965, when combat strength was at its peak. [as published] All bomb-aiming and gunnery records of the past have been broken. There has been a great increase in the ability of the units in mobile warfare and combined operations. Several hundred aircraft of various types took part in a joint exercise with the Army at a certain place in north China; they took off on time, reached the target on time, and displayed accuracy in combined maneuvers, showing their ability to make sudden attacks.

The surface-to-air missile units in the Chinese Air Force's order of battle have become a powerful force defending the skies of the motherland. In world air defense history, it was Chinese surface-to-air missile units that scored the first success in shooting down an intruding plane.

Old China had no independent aviation industry. After more than 30 years of arduous effort, China has now built up an aviation industrial system on a considerable scale turning out a relatively full range of products. China's aviators now defend the motherland's skies in China-built fighters, ground attack planes, and bombers. China has now trained five batches of women flyers. Like their male counterparts, they have played an important role in artificial rain-making, transporting critically ill patients, undertaking relief air-drop missions, and supporting socialist construction.

The ranks of China's aviators are gradually becoming younger, more specialized, and better educated. The ages of cadres of air army, divisional, and regimental levels now basically meet the requirements set by the Central Military Affairs Commission. Xu Qiliang [6079 0366 0081], deputy commander of a certain air army, is, at 35, the youngest army-level commander in China. All the Air Force commanders of military regions and the commanders of air armies can fly. All divisional commanders in the flying units can lead their units into aerial combat.

Training in the Air Force schools and academies is now gradually being regularized, aviation engineering work has now ended more than 30 years of carrying on along the lines of experience and has embarked on the track of carrying on along the lines of the science of the 1980's; and logistical capacity and organization and command capability have been enhanced in logistics work. Flying safety in the Chinese Air Force has ranked among the best in the world for the past 6 successive years.

ARMY, AIR FORCE UNITS COMMEND DEMOBILIZED CADRES

OW290043 Beijing XINHUA Domestic Service in Chinese 0237 GMT 25 Jul 85

[Text] Beijing, 25 Jul (XINHUA) -- The leading organs of Nanjing PLA units, Jinan PLA units and the Air Force units recently issued separate circulars commending a number of fine cadres who have taken the state interests into account while facing reduction-in-strength reorganization and happily obeyed the organs' orders. The circulars also called on all commanders and fighters to learn from them and create the good general mood in their units that it is an honor to give no thought to one's personal gains or losses and that it is an honor to be put at a disadvantage for the sake of the revolution.

Most of the 25 fine leading division and regiment cadres commended by the Nanjing Military Region Political Department in its circular are veteran comrades who have served more than 30 years in the Army. Facing the new situation in reduction-in-strength reorganization, they have always displayed high morale and carefully and conscientiously performed more work. Liu Yupeng, political commissar of Taizhou Military Subdistrict in Zhejiang, is 56 years old. He joined the Army in 1945. On the eve of his withdrawal from the leading body, he gave no thought to his personal interests, but devoted himself to his work. This year he led work groups to Dachen Island three times to examine work there and sum up and disseminate the experience of jointly promoting spiritual civilization among the Army and people. He has set a good example for the units by taking the interests of the whole into account.

The five cadres commended by the leading organ of Jinan Military Region include veteran comrades who joined the Army during the war years as well as young grass-roots cadres. The veteran cadres have given no thought to their own past meritorious service or hard work. They say they want to show good style while leaving the Army. The young cadres have taken a correct attitude toward the situation and persisted in following the party's arrangement. Luo Xin, head of a section under a certain division command, joined the Army 35 years ago. He has never given a thought to the level of his work post and worked industriously and conscientiously. He has completed 29 innovations of weapons and equipment, one of which won the national science and technology award. More than 10 of his innovations were disseminated in Jinan Military Region or the PLA units as a whole. The Jinan PLA units party committee awarded him two citations for Merit, Second Class, and five citations for Merit, Third Class. Facing the reduction-in-strength reorganization, he regards his meritorious service as history and verifies his own party spirit by taking the whole situation into account. He has not asked his leading organ for anything. Instead, he has continued devoting himself to work. Fu Yangmin, head of a certain division's health section, is a veteran comrade who joined the Army in 1947. Since he assumed office as head of the health section, he has worked among the grass-roots units for more than 200 days each year to prevent and treat diseases for commanders and fighters. Not long ago, the organ decided to let him retire, but he still worked day and night, leading medical personnel to install sewage disposal facilities and speeding up the construction of treatment rooms and X-ray rooms. People said: We do not see any sign of withdrawal at all by section chief Fu.

The 10 cadres, who are also party members, commended by the leading organ of the Air Force were recommended from among thousands upon thousands of fine party members by the Air Force units that entered the second phase of party rectification. Some of these cadres joined the ranks of the Air Force when the People's Air Force was founded, while others joined in the 1950's while still in college.

Facing reduction-in-strength reorganization, these veteran comrades who have made contributions to the modernization of the Air Force all said: We will do whatever the party orders us to do; we will settle down wherever we are needed. They have displayed the noble character and morals of communists who dare to sacrifice everything for the sake of the people's interests.

CIVIL AFFAIRS MINISTRY ON PROVISIONAL ORGANS

OW290425 Beijing XINHUA Domestic Service in Chinese 0836 GMT 22 Jul 85

[Excerpts] Beijing, 22 Jul (XINHUA) -- XINHUA editor's note: On 26 May, XINHUA transmit its reporter's letter "Rural 'Provisional' Organs Need Immediate Reduction," on rural grass-roots units overburdened with too many provisional organs. Today, XINHUA will again transmit a report on how the Ministry of Civil Affairs and Shanghai Municipality's departments concerned investigated rural provisional organs. This report further proves how unwieldy and overstaffed some rural township provisional organs are. (end editor's note)

According to the investigation conducted by the Ministry of Civil Affairs and Shanghai Municipality's departments concerned, each of the 17 townships and 2 towns under the jurisdiction of Shanghai County, Shanghai Municipality, established provisional organs. An average township or town has 34 to 35 provisional organs, while some have as many as 43 provisional organs. In all, 80 different provisional organs were established by these townships and towns.

The Ministry of Civil Affairs has written an investigation report pointing out: Most of these rural provisional organs in Shanghai County were established in accordance with instructions given by the higher authorities in the past 3 years.

The investigation report notes: The continuous increase in the number of provisional organs has brought numerous problems to townships and towns. Many disadvantages have appeared. The party and government cadres of each township and town, hold several posts concurrently, and have to attend many meetings. On the average, a leading cadre of a township or town must attend various meetings called by various departments at and above the county level more than 80 days a year. They also receive many "guests." According to township cadres' rough estimate, they spend no less than 60 to 70 days a year receiving "guests." They are also so busy asking for instructions and submitting reports that their own duties are affected.

With regard to solving the question of too many township and town provisional organs, the Civil Affairs Ministry's investigation report makes three suggestions: First, conscientiously clear up the matter from the higher level to the lower level. Second, make a concrete analysis and deal with each case on its merits. Whenever some task or activity of a temporary nature must be carried out or initiated and the existing functional departments cannot take care of it or are not in a position to do so, a provisional organ may be established. However, it must be dissolved as soon as the task is fulfilled. All provisional organs whose task and responsibility duplicate or overlap those of functional departments must be dissolved without exception and their tasks put under the charge of functional departments. Third, it is necessary to formulate regulations to govern the establishment of provisional organs, their staffing, funds and expenditures, all of which must be under the charge of a department.

XINHUA COMMENTATOR ON RIGOROUS ADMINISTRATION

OW290450 Beijing XINHUA Domestic Service in Chinese 0230 GMT 28 Jul 85

[Article by XINHUA "commentator": "It Is Imperative To Administer the Party Rigorously"]

[Text] Beijing, 28 Jul (XINHUA) — At the recent report meeting on second-stage party rectification work of the six provinces and regions, the CPC Central Commission for Guiding Party Rectification pointed out: It is imperative to administer the party rigorously. This serves not only as important guidance to the present party rectification work, but is of tremendous immediate bearing on promoting reform and quickening the tempo of the socialist modernization drive.

Since its inception, the Communist Party of China has stressed iron discipline. In the past, it was exactly this iron discipline that ensured our great victories in revolution and socialist construction. Today, our party is leading the people of the whole country in undergoing reform of far-reaching historical significance. In this reform, we must both implement the policy of opening to the outside world and invigorating the domestic economy and maintain communist purity politically and ideologically. Hence the greater necessity of iron discipline as a safeguard.

However, party discipline is lax in some localities and departments. Some people resort to the tactic of "you have your policy; I have my countermeasures." Others even violate the law and commit crimes for small groups' or individuals' private interests. What merits attention is that some of our comrades simply turn a blind eye to this condition of lax discipline or adopt an appeasing attitude of turning big problems into small ones and small problems into no problem at all. It must be pointed out that such slack and flabby posture on the part of some of our comrades is itself an indication of corruption, which is the party's big enemy. Only by correcting this condition can we genuinely rectify party style and raise the fighting capacity of party organizations.

To administer the party rigorously, it is necessary to abide by law and discipline without fail and to investigate and deal with law and discipline violators without exception. Whoever has a brush with party discipline, political discipline, and state law must be criticized, punished, or brought to law as he deserves. We must be firm and never tolerant on this matter.

To administer the party rigorously, strict requirements must be placed on leading cadres at all levels, in particular, leading cadres at and above county level. At present, some party members' violation of discipline and law in this or that form is closely linked with leading cadres' unscrupulous work style. "When the upper beam is not straight, the lower ones will go in crooked." Where the party leading cadres' work style is not upright, the situation of law and discipline violations will be serious. Therefore, the CPC Central Committee has decided that all provinces, autonomous regions, and cities directly under the central authority must seriously investigate major and important cases in which leading cadres at and above county level are involved. Only after the problem concerning the leading cadres is solved can problems at the lower levels be solved more easily. Leading party cadres at all levels must be strict with themselves. If their work style is not upright, they must first of all be brave enough to examine and correct themselves. They must not resort to "party discipline and state law" with the masses while observing "neither discipline nor laws" themselves. We must deal sternly with leading cadres who violate discipline and law and there shall be no bureaucrats shielding each other or the law being more lenient to bigger bureaucrats.

To administer the party rigorously, it is also necessary to perfect and strengthen the system of criticism and supervision over party members and party-member cadres. Party organizations and party-member leading cadres at all levels must strengthen democracy in the party and conduct criticism and self-criticism. The abominable habit of being liked by everyone and not daring to touch the backside of the tiger must be overcome. We must use the effective weapon of criticism and self-criticism to educate party members and cadres to improve their political consciousness, party spirit, and sense of discipline. We must welcome supervision by the masses outside the party. The party's discipline inspection units at all levels must earnestly handle the letters of complaints and accusation from the masses and party members and see that all problems be solved or explained.

Of course, by administering the party rigorously, we do not mean to recommend punitivism. We have always stressed discretion, matter-of-fact approach, and the principal role of education in treating people.

We firmly believe that if we administer the party rigorously in the true sense, our governments, enterprises, and institutes at all levels will follow the example and administer their businesses rigorously. A new common practice will thus prevail of administering the Army, factories, schools, and everything else rigorously.

COMMENTATOR ON REDUCING ADMINISTRATIVE EXPENSES

OW252120 Beijing XINHUA Domestic Service in Chinese 1517 GMT 24 Jul 85

[XINHUA commentator's article: "Administrative Expenses Must Be Cut Down"]

[Text] Beijing, 24 Jul (XINHUA) -- Diligence and frugality have been fine traditions of our party. However, it seems that some comrades have forgotten these fine traditions. Since they care about ostentation and extravagance and like to show off their wealth, they spend money wastefully and lavishly, without feeling any ache in their hearts for such unscrupulous spending of state resources. To a certain extent, such wastefulness can be reflected by the soaring increase in administrative expenses of many provinces, municipalities, and autonomous regions.

The development of our cause admittedly requires an appropriate increase of administrative expenses in certain areas. The problem is that such expenses in many areas are improper. The problems of overlapping organizations and overstaffing, for example, should be dealt with by streamlining, so that expenses can be trimmed. However, instead of streamlining those organs, certain departments have actually expanded by recruiting more personnel. The additional money required for such a purpose can hardly be justified. Moreover, at a time when the state is still not affluent, it is apparently improper for certain departments to have spent a great deal of money buying cars, organizing sightseeing tours, and buying additional sofas, air conditioners, and the like.

We are not against improving the working conditions of party and government organs, but the state's financial capabilities and material resources must be considered ahead of such improvements. Although there have been big increases in the state's financial receipts over the past several years, there are many areas in which the state has to spend money. This year, for instance, a great deal of money is needed for economic construction, and large sums are also needed for wage reforms, for subsidizing nonstaple food prices, and for various projects to improve the people's living conditions.

Therefore, administrative expenses must be subjected to certain control, and this requires our party and administrative organs to inherit and carry forward the tradition of frugality, take the whole situation into account, cut down expenses, and strictly practice economy.

Facts have proved that it is both essential and totally possible to do this. During the first half of 1985, Shaanxi Province's administrative expenses were 1.23-percent lower than the same period in 1984. Shanxi, Guangdong, and Hubei Provinces have also curtailed their administrative expenses by taking certain measures. These are examples indicating that economization is possible. The State Council has demanded that this year's administrative expenses be 10 percent lower than last year's. This target cannot be attained without making great effort. However, as far as the leading comrades of many places are concerned, it is a question of whether or not they want to, and not a question of whether or not it is possible. As long as they keep firmly in mind the traditions of diligence and frugality and set an example with their own deeds, they still can do their jobs properly while cutting down the administrative expenses.

RECTIFICATION COMMISSION LAUDS PLANT DIRECTOR

'Remarks by the Recommender'

OW261415 Beijing XINHUA Domestic Service in Chinese 0025 GMT 26 Jul 85

[Beijing XINHUA Domestic Service in Chinese at 0305 GMT on 26 July carries the following "public notice": "We would like to pass on to you a notification from the Office of the Central Commission for Guiding Party Rectification as follows: 'All central and provincial newspapers are requested to publish the full texts of "Remarks by the Recommender" and the newsletter "Ma Shengli, a Good Plant Director Always Keeping in Mind the Interests of the State and People." Radio and TV stations may broadcast excerpts. The 'Remarks by the Recommender,' issued by the Office of the Central Commission for Guiding Party Rectification, and the newsletter on Ma Shengli's deeds have been transmitted by this news agency today. Thanks."]]

[Text] Beijing, 26 Jul (XINHUA) -- Regarding a XINHUA reporter's newsletter entitled "Ma Shengli, a Good Plant Director Always Keeping in Mind the Interests of the State and People," the Office of the CPC Central Commission for Guiding Party Rectification has issued "Remarks by the Recommender," saying that Ma Shengli's experience in exercising his functions and powers as a plant director is of universal significance, and that his viewpoint on using powers shows his lofty quality of forging ahead bravely and striving selflessly for the people's cause, and is worthy of emulation by the vast number of party members, especially those who are also leading cadres.

The full text of the "Remarks by the Recommender," issued by the Office of the Central Commission for Guiding Party Rectification follows:

In all seriousness, we would like to recommend the newsletter "Ma Shengli, a Good Plant Director Always Keeping in Mind the Interests of the State and People" to all units engaged in party rectification, CPC committees at all levels, and Communist Party members working on all fronts, especially those party members who serve as leading cadres in enterprises. They are requested to read this newsletter, think it over, and discuss it in a serious manner, to find out the valuable thinking and spirit they can, and should, learn from this vivid newsletter dispatched from the forefront of reform, or, more specifically, from Comrade Ma Shengli, the hero of the newsletter.

The central theme of this newsletter is to describe how Ma Shengli exercised his functions and powers as a plant director, and how he used the enterprise's decision-making powers. This matter involves the various important relationships inside and outside the enterprise, for example, the relationships between the enterprise and the state, between the enterprise and consumers, between the plant director and the plant party organization, and between the plant director and the masses of staff and workers. Successful handling of these relationships is the key to success in exercising the plant director's functions and powers and the enterprise's decision-making powers. What attitude should be taken on these relationships, and how should they be handled? To this question, Ma Shengli gave a correct answer through his own practice: In dealing with the state, one should do one's best, shoulder as much responsibility as possible, try to make more contributions, and unreservedly offer one's services. In dealing with consumers, it is necessary to let them feel that the products they bought are worth the price they paid, and can serve their purposes conveniently and satisfactorily. In dealing with the party organization, it should be understood that it is the plant director's mainstay, and that an "able and efficient plant director" relies on assistance from an "enlightened secretary." In dealing with the masses of staff and workers, the plant director, who is a servant of the people throughout the country, and the staff and workers of the whole plant, should wholeheartedly serve the people, staff, and workers. To sum up, it is imperative to use the powers authorized by the party and state for the benefit of society and the people; in no way should such power be abused for the private gain of individuals or small groups of people. This is precisely the most fundamental viewpoint firmly held by Ma Shengli on exercising his powers. Anything against this viewpoint must be rejected on the basis of the principle of party spirit.

Through practice, Ma Shengli deeply understands that a plant director must firmly rely on the following three things to ensure the proper exercise of his functions and powers: One, he must rely on party leadership. Two, he must rely on support from the masses. Three, he must rely on himself to set a good example. He describes the first two as two "magic tools which cannot be dispensed with for a moment," if one wants to be a good plant director and to be successful in using one's powers. He calls the last one "an individual's influential power." That is to say, a plant director must act justly, behave uprightly, and set an example, especially in handling issues concerning public and private interests, and must use these concrete actions to influence the masses, with their trust, and thus get a "pass" for exercising his powers without impediment. These three qualities are of universal significance. No function or power can be exercised properly and effectively without them.

The purpose of properly exercising the plant director's functions and powers, and the enterprise's decision-making powers, is to boost the enterprise's vitality and raise the economic results of its operations. In Ma Shengli's words, it is to "enable the plant to make a quick change and become better." Based on the practice of reform, Ma Shengli and his colleagues have devised a series of methods for making "changes": To change laziness into diligence, the method is to put into effect the system of linking responsibility with benefit. To change "incompetent personnel" into "competent personnel," outstanding people should be selected and promoted. To change laxity into seriousness, it is necessary to rectify the style of work and enforce discipline in the plant. To change poor into fine quality, work should be done to improve product quality. To change the old into the new, efforts should be made to develop new products.

In applying any of these methods for making "changes," however, it is imperative to keep to a fundamental principle; that is, the "changes" must be "reasonable, legal, and in conformity with the regulations and discipline." These methods of enlivening the enterprise and the experience in applying these methods are also of universal significance.

Still, without long experience as a plant director, Ma Shengli, like other advanced individuals, has his own weaknesses and shortcomings. He cannot be perfect, and in the course of advance, he will meet with many problems to be resolved through more practical work. Nonetheless, the current practice and results of his work fully indicate the political orientation he adheres to in making reforms to boost the enterprise's vitality is correct, and meets the demands in the CPC Central Committee's decision on reform of the economic structure. His viewpoint on using power manifests the party's fundamental purpose and the basic principle of party spirit, and shows the lofty quality of a Communist Party member and socialist entrepreneur in forging ahead bravely and striving selflessly for the people's cause. For this reason, it is worthy of emulation by the vast number of party members, especially those party members who are leading cadres. We also earnestly hope that Ma Shengli and his colleagues will stand tests in the face of their achievements and honor.

The work of reform is pressing ahead. In this unprecedented great practice, it is inevitable that problems of one kind or another arise, and even mistakes and deviations may appear. Some people may take the opportunity of making reforms to seek personal gain and, as a result, commit crimes and become depraved. Others may lose their political bearings and embark on the vile road. All these, however, are just rare, temporary phenomena in society. The huge tide of economic structural reform in China is bringing up a large number of advanced individuals with distinctive characteristics of our times, like Ma Shengli. With the advance of the work of reform, there will be more and more such individuals. Their practical work will show from different angles the main trend and direction of the work of reform and, because of this, has an enormous vitality. This is where we place our hope for the success of our reform efforts, and our socialist modernization program.

XINHUA Newsletter

OW270557 Beijing XINHUA Domestic Service in Chinese 0058 GMT 26 Jul 85

[XINHUA newsletter by reporters Zhang Moyvan, Peng Zhankui, and Wu Shishen: "Ma Shengli, a Good Plant Director Always Keeping in Mind the Interests of the State and the People"]

[Excerpts] Shijiazhuang, 26 Jul (XINHUA) -- Ma Shengli was a nobody. Nevertheless, it was he who was first in line in April last year to sign a contract for management of the Shijiazhuang City papermill, a plant with nearly 1,000 workers and staff. This news immediately stirred the capital of Hebei Province. Afterward, this eye-catching person in the news became the plant's director and a close link was then established between the way he exercised his power and the plant's future.

Like the cadres of many enterprises, Ma Shengli used to have a thirst for decision-making powers. But when this wish came true, he did not expect to come face to face with a rigorous test: Would he use the power in his hands to seek private gains or to benefit the society? Would he use his power to fulfill his responsibility and do all he could for the state or would he play games with the state? While exercising power, would he treat the workers and staff members as masters of the country or act arbitrarily?

As soon as city authorities approved the contract proposal, Ma Shengli began to implement the excellent plan he had long prepared for managing the plant. He said: "With power in my hands, I will now bring about quick and good changes in the plant with the same skill as the Monkey King who was good at 72 changes."

Many changes have taken place under Ma Shengli's management. However, "all changes must be made without forgetting the two." He has remained unchangeable regarding these two points: Never stop taking the interests of the state into consideration and never stop serving the consumer. In summary, Ma Shengli says: "When you are a plant director, you must create wealth for the state and society. This calls for changes. But the changes must conform with reason, law, regulations, and discipline. They must never be inconsiderate changes."

Someone jokingly asked him: "You speak and think about the state all the time. What do you think you are, the state's prime minister?" Ma Shengli replied in all seriousness: "Since the enterprises have their decision-making powers now, you might say a plant director is like a minor 'prime minister.' Our country remains poor and it is not an easy task to manage a family of 1 billion people. We plant directors should share the burden on the prime minister's shoulders and help him manage this big family well."

A few workers in the plant wondered whether their director had only the state's interests in mind, like one who tries to carry a load with a shoulder pole by lifting only one end of it. Ma Shengli replied: "No, it is not so. I am also for retaining more profits for the plant, more incomes for the workers and staff. But this must be achieved by our working harder and creating more. It is not right to cheat the state, to take short cuts."

Ma Shengli feels that, in the final analysis, the decision made by the state to expand and delegate powers to the plants is for the purpose of expanding the power of the workers and staff in carrying out democratic management. A plant director is a public servant of the people of the whole country and all workers and staff of the plant. He must wholeheartedly serve the people, the workers, and the staff. This new recruit among the ranks of plant directors has a profound belief, that is, to be a good plant director and use power well in this land of China, one must never for a single moment lose touch with two magic weapons: leadership of the party and support of the masses.

Ma Shengli treats the party's principles and policies as the plant's guiding light and his own backbone. In order to insure implementation of the party's principles and policies, he has invited the secretary of the plant's general party branch to attend every operations meeting of the plant. And he has always consulted with the general party branch secretary on all matters of importance to the plant. The party organizations also show their concern for the new plant director in every way. Ma Shengli always says: It is because of guidance offered by the party organizations that I have been able to correct mistakes in my work in good time; the reason that I have become an "able and efficient plant director" is because I have an "enlightened secretary" to rely on.

Ma Shengli has this to say: Party organizations are my support and the masses of the workers and staff my root.

In order to drive his root deeper into the masses, Ma Shengli has made it a practice to consult with the workers and staff when something happens. He will do his best to get a consensus and the support of all workers and staff in the plant when dealing with anything of major importance.

The trust shown by the plant director has been answered with a strong response from the depth of the hearts of the workers and staff. Last year a poll was conducted to find out how the plant felt about its cadres. Ma Shengli won a 100-percent vote of confidence.

The workers and staff still remember clearly the "three point pledge" made by Ma Shengli on behalf of the group responsible for the contract at a plant meeting held just after he became the director: "Investigation will be carried out to affix responsibility for the practice of seeking privileges," "a 100-yuan fine will be imposed on anyone who goes by the back door and uses his power of office to make personnel transfer to or from the plant or other special arrangements, and the fine will be used as a reward for the first one to expose this practice..."

Ma Shengli meant what he said. Last year the plant decided to promote three percent of the workers and staff. As soon as word was out, Ma Shengli was surrounded by favor-seeking requests and telephone calls. He ignored all of them. He said: "I do have the authority to approve promotions of the workers and staff members. But I do not have the authority to give favors. If one is not qualified, his promotion will not be considered even if the favor is sought by the father of the king of gods!"

As time goes by, a new concept has gradually come into shape in Ma Shengli's mind. It is the "power of personal influence." He said: "It is true that the state has given me power. But this does not mean I really have the power or have used it well. Whether the workers and staff will feel in their hearts that I am the plant director and whether I will be able to exercise my power without any obstruction will depend on whether I have the 'power of personal influence.' Only when I am upright and act correctly will my leadership carry prestige, will my words make an impact and will the masses have confidence in me and issue the 'pass' for me to exercise my power.

Ma Shengli, who has been a party member for just a year, understands that the "power of personal influence" is extremely clean but it is also very fragile. He said: "My 'power of personal influence' will be weakened if I have sought personal gains even in only one incident or hiring one person. If this practice is allowed to continue, I will lose the confidence of all 1,000 workers and staff members. I will also bring harm to party style, plant style, and lose my power." Therefore, Ma Shengli feels that, to have the "power of personal influence," the most important thing to do is to act in an exemplary way in handling the relations between public and personal interests and to be the first to suffer hardship and last to enjoy comforts.

"A new emperor brings with him a new court." This has been the fear in the heart of some of the plant's workers and staff, especially those cadres who were afraid Ma Shengli would seek revenge with his powers for their past opposition against him. "But no one ever expected that in the beginning days of the practice of the contract system the plant would hear the story that Ma Shengli had placed Sun Wenmin, his former "enemy," in an important position.

PLANT DIRECTORS URGED TO SEE LONG-TERM NEEDS

OW281405 Beijing XINHUA Domestic Service in Chinese 0120 GMT 25 Jul 85

[XINHUA commentator: "A Plant Director Must Have a Long-Term Plan"]

[Excerpts] Beijing, 25 Jul (XINHUA) -- At present, many enterprises are experimenting with the system of limited terms of office for plant directors. This reform is of great significance in eliminating the de facto system of life tenure for cadres and improving leadership work in plants. A question that needs to be considered is whether a plant director has a plan that serves the long-term interests of the plant and the state while doing a good job during his limited term of office.

Our plants, the large and medium-sized state-operated ones in particular, are shouldering the historical mission of promoting the four modernizations of the motherland. It is not enough that only one or two incumbent directors perform well during their terms of office. There should be ceaseless efforts by one incumbent after another like in a relay race. This makes it necessary for a comrade assuming the office of plant director to look forward as well as backward and see to it that he not only become a good successor to his predecessor but also can pave the way and build a bridge for the next director. Many plant directors have already done so and set a good example.

However, there are also some plant directors who do not act this way. Some hold the view that their job is a transient one. They do not aspire to perform meritorious service. All they care about is to avoid mistakes and to carry on their work like a monk who keeps the bell tolling only as long as he wears the cassock. For some others, to "be a success while on the job" is all that matters. They care very little about the long-term development of their plants. Some other plant directors have selfish motives reflecting a small-group mentality and an attitude that says, "use the power in hand because it will be taken away when one's time is up." They crave for more profits retained for the plant, a better share for the workers, and more gains for themselves for the moment and show no concern whatsoever for the fundamental and long-term interests of the state, the enterprise, and the workers and staff.

Among these individuals, those who are bent on making private gains while in office and holding power are, needless to say, very wrong. But it is also equally wrong of those whose attitude is to care only about the present and not about long-term interests.

It is hoped that every plant director will realize what is of overriding importance and that he be concerned about the interests of the overall situation and make it his duty while in office to have a long-term plan and not to forget to include details on "his long-term plan" when writing an account on his tenure.

HONGQI ON GUIDING HEALTHY GROWTH OF YOUTH

HK251121 Beijing HONGQI in Chinese No 14, 16 Jul 85 p 2

[**"Forum": "Make Every Effort To Guide and Protect the Youth's Healthy Growth"**]

[Text] It is the starting point in our youth work to foster and educate the youth to become a new generation of communists who have ideals, morality, education, and discipline. It is also the only criterion for checking on our youth work. We should carry out education on ideals and discipline in the light of the party's central task and the youth's characteristics. We should try to arouse the youth's patriotic enthusiasm, help them foster the lofty communist ideal, and bravely take on the heavy responsibilities entrusted by history. We should educate the youth to combine lofty ideals with a practical spirit, to study hard, work hard, and make more contributions to the cause of making our country prosperous and powerful and enabling our people to become rich. We should also guide the youth to take the lead in stressing democracy, the law, and discipline and in becoming the models of observing the sequence of study and work and the social order.

At present, an important question in guiding and educating the youth is that we should create a good spiritual environment for the youth, prevent and resist the corrosive influence of the decadent capitalist and feudalist ideologies, and protect the healthy growth of the younger generation.

When young, people can easily learn more. The broad masses of youth urgently need and can easily learn the various kinds of scientific, artistic, and social knowledge. We should show concern for the healthy growth of the youth, try in every way to provide them with rich and good spiritual food, and should not stuff them with various kinds of obscene knowledge to waste their precious time and fill their minds with useless rubbish. At present, a minority of irresponsible newspapers and publications and some writers who have lost their bearings are keen on publicizing various useless and even harmful things in order to seek personal gain or fulfill some other purpose. This has run counter to strengthening the construction of socialist spiritual civilization, guiding the youth's healthy growth, and educating the youth.

After labor, work, and study, young people need a cultural and recreational life. We should actively guide and organize them to carry out the various recreational activities that are beneficial to body and mind and to fostering morality and good values. Now in some areas, some people are trying to make use of these needs of the youth to harm the young people with some obscene, violent, and occult video cassettes and films. This situation is unbearable and we must take strong measures to check this evil wind that is harmful to the youth.

One's youth is the key period in the formation of one's world outlook, and people therefore need guidance in this period. We should help the youth to discern and resist wrong ideologies. We must resolutely stop and straighten out some ideological opinions that are very harmful to the soul of the youth, such as opinions that cast doubt on basic Marxist principles, publicize the worship of money, and advocate "seeking money in everything."

We often talk about letting the youth face the world and brave the storm because we believe that the youth can educate themselves. Although this is right, it does not mean that we can shirk our duty to educate and protect the youth. If we shirk our duty to educate and protect the youth, decadent ideology will have a chance to influence the youth so that not only the youth's growth will be hindered but also the general mood of society will be poisoned.

To foster and educate the younger generation is not only the task of the CYL organizations, but of party, trade union, and women's association organizations at various levels; the various social organizations, all schools, Army units, enterprises, residential districts, and families should contribute to the youth's healthy growth. All party cadres, league cadres, and all comrades who are presently doing youth work should go deep among the youth, carry out investigations and research, try to understand the youth, grasp their ideologies and characteristics, and befriend them. The older generation of people of various social circles should also befriend the young people. We should advocate "friendship between generations" so as to exchange information, feelings, and ideas between two or three generations. We must try to make our youth work vivid, vigorous, and solid. Only vivid and vigorous youth work can attract the youth and only solid youth work can produce good results.

JINGJI YANJIU ON IMPLEMENTING GUIDANCE PLANNING

HK251047 Beijing JINGJI YANJIU in Chinese No 6, 20 Jun 85 pp 35, 37

[Article by Song Tao: "Gradually Implement Guidance Planning in an Overall Way"]

[Text] The present national economic plans that our nation has formulated are divided into those that are mandatory and those that are of a guidance nature.

The production of some commodities is left entirely to regulation by market mechanism.

The form of planning adopted at present, where an enterprise produces one particular sort of commodity, is one where the portion that is to be allocated by the state is subject to mandatory planning. The other portion is subject to guidance planning and regulation by market mechanism. When an enterprise produces not one product but several products, the production of each commodity is subject to mandatory planning, guidance planning, and regulation by market mechanism. The carrying out of planning of this type is very complicated. However, even if the commodities produced are subject to mandatory planning, it does not mean that all the means of production necessary for the production of these commodities can be supplied by the state economic organs at cheap prices. Also, because the commodities produced are not always able to accord with the needs of social production and the people's lives, they are often overstocked. Thus, we should gradually implement guidance planning in an overall way so that it replaces mandatory planning. I believe that the characteristic of guidance planning is that the enterprises have the right to change the planned targets passed down by the higher level economic organs, in accordance with their productive capacity, the market supplies of the means of production used by the enterprises, and the demand situation for the commodities they produce.

In terms of planning methods, we should move from the bottom to the top, with the state planning organs being the last to achieve a comprehensive balance. Each enterprise should first set down its own plans. Within these plans set by the enterprises, there should be included both various material targets and various targets in terms of value. They should also stipulate the speed of production development. The enterprises will then report their plans to the city or province. The economic planning organs of the city or province will then arrange an overall balance between the plans of the enterprises within their region. After a balance has been obtained, the details will be reported to the state planning organs. The state planning organs will then arrange an overall balance between the various cities and provinces. They will cut down the production of those commodities that are already in oversupply in the market and will increase the production of those commodities the market urgently needs. Thus the commodities produced will satisfy the various demands of the market and will not end up being stockpiled. In this way, we will enable the national economy to achieve better, coordinated development.

After guidance planning is implemented in an overall way, the state can sign economic contracts with the enterprises that supply the materials it needs in its key construction projects. The orders for goods and economic contracts should be guaranteed by the law. In this way there will be a dependable supply of those materials needed in building key projects. The production and supply of new technology, new equipment, and new materials can also be arranged by the signing of economic contracts with enterprises.

If an enterprise, in carrying out commodity production, needs various types of materials, it should sign order contracts with the producers of the materials needed and have them supplied in accordance with these economic contracts. If an enterprise requires some means of production and cannot sign order contracts for them, it should go to the marketplace to purchase them directly. There is no need for state economic organs to directly manage the allocation and purchase of the means of production required by all enterprises.

If we wish the various enterprises to be able to smoothly carry out the economic contracts they have signed or be able to purchase the means of production in the market-place, then the amount of money invested by all the enterprises in the society in purchasing the means of production should be equal to the total value of means of production produced. Also, the amount of money invested in purchasing a particular means of production should be equal to the value invested in producing this means of production. If an excessive amount of money is invested in purchasing the means of production, the price of the means of production will rise. The enterprises that produce those means of production that are in short supply will then not be enthusiastic about implementing the terms of the economic contracts and will take their commodities to the market where they can be sold for high prices. If a few of the enterprises do not completely implement the order contracts, it will produce a chain reaction, with the result that many of the order contracts signed by enterprises will not be able to be completed.

For those means of consumption needed by social collectives and individual laborers, commercial enterprises can obtain these goods by signing economic contracts with the enterprises that produce them. When the amount of money invested roughly accords with the total volume of commodities in circulation in society, the prices of various commodities should be allowed to float freely within certain limits.

The gradual implementation of guidance planning in an overall way is not only a convenient way to formulate and implement national economic plans and a way to avoid the stockpiling of commodities, but is also a method by which to bring the production potential of enterprises into full play.

OBSERVATORY ISSUES TYPHOON WARNING 28 JUL

OW281638 Beijing Domestic Service in Mandarin 1200 GMT 28 Jul 85

[Text] The Central Meteorological Observatory issued a typhoon warning at 1800 [1000 GMT] today. It says:

At 1400 [0600 GMT] today, the center of this year's Typhoon No 6 had moved to sea about 570 kilometers east of our country's Taiwan Province; that is, 24.9 degrees north latitude and 127.6 degrees east longitude. The maximum winds near the center of the typhoon are force 10. The typhoon center is currently heading westward at a speed of approximately 20 kilometers per hour. It was estimated that the typhoon center will continue to move westward and pass northern coastal areas of Taiwan Province. The typhoon will hit land in coastal areas between Fujian's Putian and Zhejiang's Wenling from early evening to late evening tomorrow.

Due to the typhoon, the waters east of Taiwan, Taiwan Province, the Taiwan Strait, the East China Sea, and the coastal areas of Fujian and Zhejiang will gradually experience winds of force 6 to 9 from tonight until tomorrow. Its center winds will be force 10 to 11. Heavy or torrential rain will fall in most of Taiwan, central and northern Fujian, and central and western Zhejiang. Units concerned are urged to listen to local meteorological station weather forecasts on the movement of the typhoon from now on.

From tonight to tomorrow light to medium rain will fall in most of north China, western Liaoning, western and northern Shaanxi and Henan, southern Sichuan and Ginghai, central Xiaang, southern Yunnan and Guizhou, coastal areas of east China and south China, and some areas south of the Chang Jiang. Sichuan's basin and northern areas, Shaanxi's southern areas, and Shanxi's southern areas will have heavy or torrential rain.

HAO JIANXIU LISTS ENTREPRENEURS' CHARACTERISTICS

OW271249 Shanghai WEN HUI BAO in Chinese 20 Jul 85 p 4

[Text] In an article in the first issue of ZHONGGUO QIYEJIA [0022 0948 0120 2814 1367 CHINESE ENTREPRENEURS], Hao Jianxiu, honorary chairman of the China Plant Directors' (Managers') Work Research Society, writes: A number of outstanding entrepreneurs, including plant directors (managers), chief engineers, chief economists, chief auditors, and party committee secretaries, have come to the fore in the course of the current economic reforms in China. An urgent task now facing us is to train a contingent of Chinese entrepreneurs to form an entrepreneur leading group, headed by plant directors (managers). What characteristics should Chinese entrepreneurs possess?

First, they should possess long-range ideals and ambitions. They should be aware that the current restructuring of the economy in China is aimed at developing the socialist economy and finally realizing communism. Only with this firm belief, can they maintain political unity with the CPC Central Committee, become sober-minded reformers, carry forward the party's fine traditions while discarding outmoded management methods, resist the onslaught of bourgeois ideological influence while learning the business management of developed countries, and be fit to become frontline commanders in economic construction.

Second, Chinese entrepreneurs should simultaneously grasp the building of material and spiritual civilizations. While building a highly developed material civilization, they should also strive to build a spiritual civilization centered on communist ideology. This is an important embodiment of the superiority of the socialist system, and is also a characteristic in building Chinese-style socialist enterprises. Not only should we manufacture products of good quality, which are cheap and sell readily, but we should also train a contingent of workers and staff members with ideals, morals, culture, and a sense of discipline.

Third, Chinese entrepreneurs should correctly handle relationships between the state, collective, and individuals.

Fourth, Chinese entrepreneurs should correctly handle relationship between plant directors, party committees, and workers' congresses. Party committee secretaries should actively support plant directors to exercise their power in directing production and operations; plant directors should respect party committee secretaries and accept their supervision. An enterprise's major policy decisions should be examined and approved by a workers' congress or the entire body of workers. This to give full play to the role of trade unions and workers' congresses, and to unify the prestige of enterprise leaders with the working people's status as masters of the country.

Fifth, Chinese entrepreneurs should strive to acquire modern management knowledge.

It is not easy to become entrepreneurs with distinctive Chinese characteristics, for they must have a high political standards, be well educated, proficient in their work, and have achieved good results in creating first-class socialist enterprises.

SHANGHAI CPC CONGRESS RECEIVES MORE RESIGNATIONS

OW261141 Shanghai City Service in Mandarin 0100 GMT 25 Jul 85

[Text] On 23 July Mayor Wang Daohan wrote a letter to the Fourth Session of the Eighth Shanghai Municipal People's Congress, requesting his resignation from the office of mayor of Shanghai.

Wang Daohan's letter says: The CPC Central Committee's decision that cadres must be younger in average age is an urgent requirement in China's modernization drive, and I firmly support this major policy decision of the CPC Central Committee. I am almost 70 years old, and I hope my request for resignation from the office of mayor of Shanghai will be approved.

Meanwhile, Shi Ping, Chen Yi, He Yixiang, Di Jingxiang, and Li Peinan, vice chairmen of the Standing Committee of the Shanghai Municipal People's Congress, and Guan Zizhan, Dun Xuan, Li Guang, (Xiao Lin), (Luo Zhufeng), (Huang Gengfu), and (Sheng Hua) and five other members of the standing Committee of the Shanghai Municipal People's Congress, have also sent letters to the session requesting resignation from their offices in the municipal People's Congress.

Prior to the acceptance of their resignations during the session yesterday morning, Comrade Hu Lijiao made a special speech. He said: These comrades' firm support for the CPC Central Committee decision and their example of stepping down gracefully from their posts demonstrate their high political consciousness and staunch party spirit. Over the past several decades, these veteran comrades have rendered unforgettable historic services to the party and the people in the course of revolutionary struggle and socialist construction. Because of their advanced age, they are requesting resignation from office. By doing so they have taken the lead in making our cadre ranks younger in average age. Let us express our high respect and heartfelt thanks for their great contributions to the revolutionary cause and their noble character of placing the interests of the party and the people above everything else.

Prolonged applause broke out among the deputies attending the session.

Wang Daohan Named Adviser

OW290429 Shanghai City Service in Mandarin 0100 GMT 29 Jul 85

[Text] When interviewed by reporters on the afternoon of 28 July, Shanghai Mayor Jiang Zemin announced: The central authorities have decided to appoint Comrade Wang Daohan adviser to the Shanghai Municipal People's Government.

SHANGHAI CPPCC COMMITTEE ELECTS VICE CHAIRMEN

OW261121 Shanghai City Service in Mandarin 0100 GMT 24 Jul 85

[Excerpts] The Fourth Session of the Sixth Shanghai Municipal CPPCC Committee was ceremoniously held at the (Meiqi) Theater yesterday. The session, in a by-election, elected Mao Jingquan, Yang Kai, Zhou Pi, and Zhang Ruifang, female, vice chairmen of the sixth municipal CPPCC Committee. The session successfully completed the discussion of all items on its agenda.

Attending the morning's session and seated on the rostrum were Rui Xingwen, secretary of the Shanghai Municipal CPC Committee; Jiang Zemin, Yang Di, Ruan Chongwu, Huang Ju, and Wu Bangguo, deputy secretaries of the municipal CPC Committee; Chen Guodong, chairman of the municipal People's Congress Standing Committee; Wang Daohan, mayor of the municipality; Zhang Dinghong, member of the Standing Committee of the municipal CPC Committee and secretary of the municipal Discipline Inspection Commission; Mao Jingquan, member of the standing Committee and director of the United Front Work Department of the municipal CPC Committee; and Ping Changxi and Shi Yong, leading comrades of PLA units stationed in Shanghai. Li Guohao, chairman of the municipal CPPCC committee, made an opening speech.

Amid warm applause, Rui Xingwen, secretary of the Shanghai Municipal CPC Committee, spoke at the session. On behalf of the municipal CPC Committee, he extended warm congratulations to the session and cordial regards to all members of the municipal CPPCC Committee.

In his speech, Rui Xingwen also dealt with the sound development of the economic and political situation in the municipality and set new requirements for united front and CPPCC work.

The session approved the resignations of Zhang Chengzong, Song Richang, Mei Jiasheng, Jing Renqiu, and Long Yue as vice chairmen of the municipal CPPCC Committee and of 14 others as members of the Standing Committee of the municipal CPPCC Committee on account of their advanced age.

DROUGHT HITS 1.5 MILLION MU OF ZHEJIANG CROPLAND

OW270233 Hangzhou ZHEJIANG RIBAO in Chinese 21 Jul 85 p 1

[By ZHEJIANG RIBAO reporter Gan Guorong]

[Text] (ZHEJIANG RIBAO report) -- Shaoxing, Ningbo, Taizhou, Wenzhou and Zhoushan areas in Zhejiang are being hit hard by a serious drought, which has struck approximately 1.5 million mu of cropland throughout the province. Worse, the drought-stricken areas are spreading, and there is a shortage of water for production and for people's daily life in urban and rural areas.

According to the provincial flood and drought prevention headquarters, the precipitation for many counties in Shaoxing, Ningbo, and Taizhou Prefectures was a record low during the second quarter this year, and precipitation throughout the province during the same period was only one-half of normal. It added that the dams have stored only half the amount of water they planned to store, and the level of rivers is 30 to 100 cm below normal.

The serious drought has already caused many problems in production and in people's life. Ningbo has terminated the water supply for 12 major water consuming factories. In Shaoxing, water supply has stopped for 70,000 mu of late rice seedlings. There is a water shortage for summer plowing and planting in most parts of Zhejiang.

According to the meteorological department, continuous sunny skies and high temperatures are the main reasons for the drought. Since the beginning of July, it said, the temperature in Shaoxing and Ningbo has been unusually high. Analyzing the available information, sunny skies and high temperatures may last until mid-August.

Currently the drought is spreading to the inland areas from the coast. The water level of dams and rivers in many parts of Lishui and Jinhua Prefectures has also noticeably dropped, and the drought is affecting several hundred thousand mu of cropland in those areas.

In the drought-stricken areas, leading cadres at all levels are working hard with the masses to combat drought, braving scorching heat. They are also actively exploring water resources, rationally planning water consumption, and striving to keep drought-inflicted damage to a minimum.

MORE PARTY MEMBERS RECRUITED IN RURAL ZHEJIANG

OW252224 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 23 Jul 85

[Text] Nearly 40,000 or 70 percent of Zhejiang's 56,800 rural party branches had fulfilled their task in party rectification by the end of June. In the course of consolidating rural basic-level organizations, various localities have further reformed the rural economic system and developed commodity production in the countryside. They generally paid attention to the following four aspects:

1. They have carried out education among rural party members and basic-level cadres on the current situation and tasks and on party spirit and party discipline.
2. They have readjusted rural basic-level party organizations according to the new situations and in light of the new problems in the countryside.
3. They have readjusted the leading bodies of the rural party branches so that members of those bodies are younger, more revolutionized, better educated, and professionally more competent.
4. They have energetically recruited new party members.

Through education and party rectification, the broad masses of rural party members and basic-level cadres have further eliminated the pernicious influence of the leftist ideas and various outmoded ideologies. They have led the masses to develop commodity production and become rich through diligent work. As a result, the problems of the leading cadres of the basic-level party branches being too old and their educational level too low are readily being solved. A large number of highly educated young people including rural teachers and peasants have joined the party. From January to June this year, 13,400 new members joined the party in Zhejiang's countryside.

GUANGDONG CPPCC LEADERSHIP CHANGES APPROVED

HK280329 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 27 Jul 85

[Text] The 5th Guangdong Provincial CPPCC Standing Committee convened its 12th meeting this morning. The members heard an explanation given by Chairman Liang Weilin on convening the fourth session of the fifth provincial CPPCC. It was decided to convene this session at the end of August. The meeting unanimously approved the agenda for the session and approved the election of Wu Nansheng, Yang Yingbin, and [name indistinct] as members of the fifth provincial CPPCC. They also approved a decision naming Wu Nansheng as candidate for chairman of the provincial CPPCC and Yang Yingbin as candidate for vice chairman.

GUANGDONG EXPECTS REDUCED EARLY RICE HARVEST

HK280549 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 28 Jul 85

[Text] Guangdong is now in the busy season of summer reaping and sowing. By 25 July, the province had harvested 15 million mu of early rice, 60 percent of the area to be harvested. Hainan Island, where the season comes earlier, has completed harvesting the early rice and started transplanting the late crop.

The province planted 24.9 million mu of early rice this year. Coastal areas in eastern Guangdong were hit by typhoons and Hainan Island was affected by drought, but 65 of the province's 98 counties have increased their average yield per mu. Relatively big increases have been recorded by Zhangjiang, Jiangmen, and Maoming Cities. However, due to the fact that much paddy land was switched to industrial crops this year, plus the damage caused by strong typhoons, it is estimated that total early rice output will not reach last year's level.

DROUGHT FIGHTING CIRCULAR ISSUED IN GUANGXI

HK270534 Nanning Guangxi Regional Service in Mandarin 1130 GMT 25 Jul 85

[Text] On 24 July the regional CPC Committee and people's government issued a circular on actively waging struggle against drought to all prefectural, city, and county CPC committees, to all prefectural administrative offices, to all city and county people's government, and to all regional organs. The full text of the circular is as follows:

Since the beginning of June, most areas in the region have had relatively little rain. Rainfall has decreased by 10 to 20 percent in southeastern Guangxi, and 3 to 8 percent in other areas. There were occasional showers in some areas from 1 to 20 July, but no rain in most areas. Compared with last year, the rainfall in Baise Prefecture has decreased by 20 to 40 percent, and 60 to 80 percent in other areas. As a result of relatively less rainfall, the amount of stored water in reservoirs has been reduced accordingly. According to statistics in mid-July, some 4.5 million mu of land has been hit by drought in the province. Of this 4.5 million mu of land, 3 million mu of land are for growing early or intermediate rice, and 1.5 million mu are for growing [words indistinct] crops. In some areas hit by serious drought, crops are withering. This has not only adversely affected the output of early rice, but has also hampered the smooth progress of rush harvesting and rush planting. Therefore, actively waging a struggle against drought and striving to reap a bumper harvest in agriculture is now an important task for CPC committees and government at all levels in the region.

The key to waging a struggle against drought lies in strengthening leadership. CPC committees and government at all levels and leading comrades in all departments concerned must go to the first line, keep informed about the drought situation, solve problems in the antidrought struggle, mobilize and organise a vast number of cadres and masses to take part in the antidrought struggle, and properly grasp the following tasks.

1. Bring into full play the role of all existing water conservation equipment and agricultural machinery in fighting drought, implement the responsibility system for use and control, and implement the work system. It is necessary to affix responsibility for economic losses on a handful of people who undermine water conservation facilities.
2. Consume water in a reasonable, planned, and economical way. In the current situation when rice is in the milk stage and less water is needed it is necessary to mainly protect early rice and intermediate rice plants. Collapsed channels should be repaired or cleared immediately to ensure unimpeded water movement.
3. Reservoirs, water control offices, and town, township and villages committees must gradually establish service organizations to use and control water conservation, must clarify responsibilities and [words indistinct], and must ensure that water conservation play a better role in agricultural production.
4. Actively make preparations for artificial rain, and carry out artifical rain measures when conditions are ripe.
5. The subsidies recently granted by the regional Relief Office, the regional Finance Department, the regional Civil Administration Department, the regional Water Conservation Department, and the regional Petroleum Company and the relief goods such as diesel fuel should immediately be distributed to drought-hit areas. Investigations should be conducted to ensure these materials are actually used to full advantage in fighting drought. Meanwhile, it is necessary to do a good job in ideological mobilization and to arouse the vast number of peasants to rely on their own efforts and work hard to overcome all difficulties by various means and win the victory in the struggle against drought.

Due to the protracted low temperatures and rainy weather during spring of this year, the early rice-harvesting season has been delayed in the region. All prefectures, cities, and counties must properly strengthen their leadership, mobilize the masses to take part in rush harvesting and rush planting, shorten the time for the two rushes, create conditions so that late rice will avoid damage by cold winds and increase late rice output.

According to weather forecasts, there will be relatively more rainfall in the region from 26 July to the end of August. In August, floods may very likely occur in southern Guangxi counties. For this reason, while making preparations for fighting drought, it is necessary for us to pay close attention to weather forecasts, and to carry out timely flood-prevention work.

GUANGXI INDUSTRY REAPING BENEFITS OF REFORMS

HK270556 Nanning Guangxi Regional Service in Mandarin 1130 GMT 25 Jul

[Text] Station reporters (Li Guoguang), (Shao Jie), and (Tang Binchun) have learned from the ongoing regional conference on reform of the urban economic structure that the reform conducted by the region since last year has vigorously promoted the development of various economic work, and changed the long-standing situation of stagnant industrial production.

The across-the-board economic growth and the rise of economic efficiency are unprecedented in the region's history. The region's industry has kept pace with that of the whole country. From January to June this year, the region's total industrial output value increased by 22.48 percent over the same period last year; total profit increased by 44.5 percent; and financial income increased by 26.8 percent.

Over the past year or so, all localities and departments in the region, in accordance with the decision of the CPC Central Committee on reform of the economic structure, the provisional regulations by the State Council on giving more decision-making power to state-run industrial enterprises, and the requirements of the 12 regulations of the region, have taken a series of practical steps to streamline administration and carry out decentralization of power centered on giving more vitality to enterprises.

1) They have delegated to enterprises the power which should be given to them. 2) More than 80 percent of the enterprises have instituted an economic responsibility system with contracts as its major form. 3) In 1,500 small state-run industrial and commercial enterprises they have implemented an open method namely, state ownership with collective operations, submission of taxes according to regulations, and sole responsibility for their own profits and losses. 4) They have instituted the factory manager responsibility system in some enterprises. 5) They have instituted the piece rate wage system to a large extent. A handful of enterprises have linked total wages with profits and taxes. Building industrial enterprises have widely instituted the system of contracts on a 100-yuan output value basis. Commercial enterprises have gradually instituted a circulation system of openness, with many channels and less links. Rural supply and marketing cooperatives have gradually changed from state-run ones into people-run ones. Government at all levels has cancelled and revised some regulations and rules harmful to commodity circulation, thus promoting economic exchanges between urban and rural areas. Transportation systems have also been changed. Now thousands upon thousand of people are developing transportation. They are adopting the operational principle that anyone can use the roads and rivers, thus leading to new developments in transportation.

HENAN RADIO DISCUSSES AGRICULTURAL PROBLEMS

HK270325 Zhengzhou Henan Provincial Service in Mandarin 1230 GMT 26 Jul 85

[Station commentary: "Strengthen Leadership and Promote the Steady Development of Agriculture"]

[Excerpts] The current situation in the rural areas is very good. However, a new circumstance has emerged which requires attention. Some cadres have relaxed leadership over agricultural production, and the enthusiasm of some peasants for tilling the land has declined. If this goes on, it is bound to have an impact on the sustained development of agricultural production and on the readjustment of the rural production structure. We must therefore by no means take it lightly.

The declining enthusiasm of some peasants for tilling the land is mainly expressed in the following ways: They have reduced investment in the land and neglected agricultural production; they have slackened crop tending; the rate of use of the land has declined; and phenomena of renting or hiring out land and indiscriminate occupation of farmland have started to appear in places.

There are many reasons for the emergence of these problems. As far as work is concerned, the main reason is that some cadres engaged in rural work have slackened leadership over agricultural production. Agriculture is the foundation of the national economy. The leading cadres in the rural areas must understand the overall economic picture in the rural areas.

They must actively develop township enterprises and tertiary industry without the slightest slackening of agriculture, forestry, animal husbandry, and fisheries. In particular, when the province has not yet really made the grade in grain production, it is imperative not to slacken leadership over agricultural production.

Strengthening leadership over agricultural production and taking steps to stimulate and protect the peasants' enthusiasm for cultivating the land remain a cardinal link in rural work. We must create a relatively good environment for those who till the land and do a good job in providing services before, during, and after production. We must create a relatively good environment for those who till the land and do a good job in providing services before, during, and after production. We must resolutely curb the sinister trend of indiscriminate hikes in the prices of materials used in agricultural production, and tangibly protect the peasants' interests. At the same time we must help them to go in for diversification.

HUBEI MEETING DISCUSSES RECTIFICATION TASKS

HK280357 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 27 Jul 85

[Excerpts] On the morning of 22 July, the party rectification guidance group of the Hubei Provincial CPC Committee held a meeting to study the recent important speeches of Comrades Hu Qili and Bo Yibo on party rectification, review and sum up party rectification in the previous period, and make arrangements for the next step. The meeting demanded that the party committees at all levels have a clearer picture of the guiding idea for party rectification, eliminate slackness, and satisfactorily fulfill the tasks of second-stage party rectification and also consolidate and develop the fruits of the first stage, so as to ensure and promote the smooth progress of reforms and all other work in the province.

Guan Guangfu, secretary of the provincial CPC Committee and head of the guidance group, and Shen Yinluo, deputy secretary of the committee and deputy head of the guidance group, made speeches. Comrade Guan Guangfu put forward the following views on how to seriously implement the spirit of the important speeches of Comrades Hu Qili and Bo Yibo, make a success of second-stage party rectification, and consolidate and develop the fruits of the first stage:

1. Have a clearer picture of the fundamental guiding idea that party rectification must ensure and promote reform. At present the momentum of reform in Hubei is very good. It is almost inevitable that problems and even deviations of various kinds will emerge in the course of reform. So long as we keep clear heads and promptly sum up experiences, the problems that lie ahead will not be hard to solve.
2. Conduct deepgoing education in ideals and discipline.
3. Summon up great resolve to correct new unhealthy trends and make breakthroughs in investigating and dealing with major and important cases. Those who erect obstacles to this work, who refuse to make a move, and who intercede for the lawbreakers involved must be exposed, and some must be punished by party or government discipline. Leading cadres who abuse their powers for private purposes or are seriously questionable in other ways must not be allowed to protect each other. The few people in the party who seize the chance of reform and invigoration to speculate and swindle, embezzle, smuggle and peddle contraband, and thus degenerate must be exposed and seriously punished, to the extent of being expelled from the party.
4. It is necessary to strengthen leadership over party rectification work and provide appropriate guidance.

I. 29 Jul 85

PRC REGIONAL AFFAIRS
SOUTHWEST REGION

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SICHUAN CONCLUDES FINANCE, TRADE CONFERENCE

HK260132 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 24 Jul 85

[Text] At the provincial work conference on finance and trade, which was concluded yesterday, directors of agricultural and trading offices, as well as heads of commercial bureaus from various cities, prefectures, and autonomous prefectures analysed and studied the new situation and new problems that have developed in the wake of opening and enlivening the circulation channels. In addition, the directors and bureau heads suggested many specific measures and methods for settling the problems.

In order to make the work concerning commerce conform to the new situation of reforming the commodity circulation system, to arrange well the trade markets after autumn and to promote a constant, steady, and coordinated development of the economy, the meeting put forward eight suggestions.

First, the province's present economic situation is very good. Both the urban and rural markets are brisk. In this year's first half, the province's social commodities increased by more than 26 percent compared with the same period last year. Such an increase is unprecedented in terms of growth rate and volume.

Second, to open and enliven the circulation channels does not mean that we undermine the status of state-run commercial sector of being the main circulation channel. The state-run commercial sector must make use of their advantages such as abundant capital, better facilities, numerous commercial outlets, and a strong work force. They must actively give play to the role of being the main circulation channel, readjust demand and supply, and keep prices low.

Third, the key to firmly grasping the purchase of agricultural and sideline products rests with the coordination of relations among various sectors.

Fourth, we must handle very carefully the issue of food. Under no circumstances must we slacken our efforts. In the province, we must implement the principle of producing more than the province's demand. At present, we must continue to strengthen the work of putting the spring grain in storage.

Fifth, we should do a good job in supplying non staple food to large and medium-sized cities, and maintain a stable market.

Sixth, We should continue to strengthen the supervision over the market even after opening and enlivening the economy. We must supervise, as well as enliven the market.

Seventh, we should take a relaxed attitude toward economic policy and actively support the growth of such industries as catering, services, and maintenance.

Eighth, we should further strengthen the guidance over the work concerning commerce, so as to make it conform to the requirements for reforming commodity circulation. We must grasp well the ideological and political work and overcome the attitude of being dispirited and fearing difficulty. We must educate the workers in vocational ethics and improving the quality of service.

In the course of meeting, Guan Xuesi, adviser to the provincial government, spoke. Vice Governor Gu Jinchi attended the meeting, and Vice Governor Liu Chunfu made the summary speech.

XIZANG PEOPLE'S CONGRESS SESSION CONCLUDES

HK280303 Lhasa Xizang Regional Service in Mandarin 1130 GMT 27 Jul 85

[Excerpts] The Third Session of the Fourth Xizang Regional People's Congress concluded on the afternoon of 27 July after satisfactorily completing its agenda. The session called on the people of all nationalities in the region, under the leadership of the regional CPC Committee, to unite as one, work hard, and make greater contributions to promoting reform, invigorating Xizang's economy, and building a united, prosperous, and civilized new socialist Xizang.

Ngapoi Ngawang Jigme, chairman of the regional People's Congress Standing Committee, presided at the closing ceremony. Leading comrades of the party, government, and Army in the region Wu Jinghua, Redi, Duojiecaidan, Yangling Duoji, Basang, Li Wensha, (Mao Rubai), Wang Xinqian, Duojicairang, Danzeng, Hu Songjie, Jipu Pingcuo Cideng were present along with the 365 deputies.

Regional CPC Committee Secretary Wu Jinghua addressed the session this morning, calling for stepping up building of the legal system in the effort to build a new socialist Xizang with a high degree of civilization and democracy. His important speech focused on the following points:

1. Attach a high degree of importance to legislative work. Xizang has scored achievements in this work in recent years. However it has been very far from meeting the demand for building a new socialist Xizang with a high degree of civilization and democracy. It should be said that legislative work has only just started. We must step up nationality and economic legislation and set out in legal form the series of effective policies suited to Xizang realities that have been formulated by the central authorities. We should follow the path of governing Xizang by law.
2. It is necessary to have a clear guiding idea in the region's legislative work, that is, the work must benefit Xizang's nationality equality and solidarity, its efforts to reform, open up, and invigorate, and the development of its economy and culture. The work must serve the goal of building a united, prosperous, and civilized new Xizang. We have to formulate many laws, rules, and regulations. At present we must in particular step up economic legislation, so as to legalize and systematize the policies.
3. Xizang's legislative work must be based on the region's realities. Effective local laws must be formulated with Xizang characteristics. We must legislate in Xizang for freedom of religious belief, respecting nationality customs, use and development of nationality spoken and written language, developing nationality education and training nationality cadres, inheriting and developing outstanding nationality cultural traditions, and developing tourism, mountaineering, and so on.
4. We must adopt various means to do a good job in publicity and education in the legal system, to enable the masses to establish the concept of the legal system and to spontaneously obey the law.
5. We must set up organs for studying the Xizang legal system and put them on a sound basis. These organs should become the think tanks and general staff departments of the people's congresses and government at all levels.

The first task of these organs is to draw up legislation. They must carry out deep-going investigation and study of Xizang's special features, the history and current state of Xizang's legal system, the national and local laws used in the nation, and also certain special rules and regulations in force in the special zones, for our own use.

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They must take stock of local laws drawn up in Xizang since the liberation and decide which should be abolished, which should be amended, and which should continue in force.

Wu Jinghua said in conclusion: The fundamental task of the people's congress is to legislate. We must attach importance to and strengthen the work of the people's congress. The party committees must strengthen leadership, in ideology, principles, and policies, over the work of the people's congress standing committees, and actively support them in exercising their powers according to the law and fully playing their role as organs of power.

YUNNAN RIBAO REPORTS INDUSTRIAL OUTPUT FIGURES

HK280746 Kunming YUNNAN RIBAO in Chinese 10 Jul 85 p 1

[Report by Yang Yugiong and Huang Yiming: "Success in Provincial Industrial Production in the First 6 Months of This Year."]

[Text] According to data from the provincial Statistical Bureau, our province's total industrial output value for the first half of this year reached 5,956,000,000 yuan, an increase of 18.9 percent over the corresponding period last year, representing 50.7 percent of the annual plan. The aim of realizing more than half of the target in more than half of the given time has been realized. [sentence as published].

In the first half of this year, our province's industry showed sustained, balanced, and steady development. Light industry registered an increase of 21.8 percent over the corresponding period last year. Relatively big increases were also chalked up where sugar, tobacco, cakes, beverages, color television sets, washing machines, detergents, and so forth, were concerned. This has played a positive role in ensuring the availability of market supplies. Heavy industry registered an increase of 16.1 percent over the corresponding period of the preceding year. Light and heavy industries accounted for 50.2 percent and 49.8 percent respectively of total industrial output value.

The growth of collective industries was more rapid than that of industries owned by the whole people while that of individually operated industries was still faster. Industries owned by the whole people showed an increase of 16.2 percent over the corresponding period of the preceding year, collective industries an increase of 26.7 percent, and individually operated industries an increase of 92.6 percent.

YUNNAN URGES FIGHT AGAINST NATURAL DISASTERS

HK260237 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 25 Jul 85

[Excerpts] On 20 July, the Yunnan Provincial CPC Committee and people's government issued an urgent circular to party committees and government at all levels in the province on further promoting the work of fighting natural disasters and carrying out relief work.

The circular pointed out: Since last winter, due to abnormal weather, production of the spring-harvest crops dropped as a result of drought and low temperatures, and the spring-sown crops have in turn been hit by various natural disasters. In particular, the province has had more rain than usual during June and July and some places have been hit by torrential rainstorms [words indistinct] causing flash floods in the mountain areas and a rapid rise in the river levels. Plant diseases and insect pests have also spread. These things have posed a very great threat to agricultural production in the province.

The party committees and government at all levels and the departments concerned have attached great importance to these serious disasters and done a lot of work to combat them.

The circular said: Although great success has been achieved in fighting disasters and carrying out relief work, we must also realize that the disasters are tending to develop further. The serious threat of new floods and plant diseases and insect pests still exists. Hence, the party and government leaders must keep clear heads and pay great attention to the problem without any slackening or ideas of winning through by luck. They must make adequate estimates and preparations. The province must grasp the following tasks:

1. Seriously step up propaganda and education work in fighting natural disasters to reap a bumper harvest, so that the cadres and masses will have firm confidence in this endeavor and eliminate negative pessimism and fear of difficulties. We must deal promptly and severely with certain bad people and deeds in seriously sabotaging the fight against natural disasters.
2. Get a good grasp of effective measures for fighting natural disasters and reaping a bumper harvest. We must get a good grasp of relief work in the disaster areas. The most urgent thing is to mobilize and organize the masses to hurry to reopen communications and posts and telecommunications and to repair drainage and irrigation channels and other water conservancy facilities. Inundated farmland must be drained immediately and efforts must be made to crash-save the crops there. Where farmland is buried in mud and silt, the masses must be launched to clean up, repair the land, replant the crops, and switch to sowing late autumn crops. We must help the masses to make full use of local natural resources to launch various items of industrial and sideline production, so as to increase economic income.
3. Make proper arrangements for the masses' livelihood. The party committees and government at all levels must exert great efforts in this respect in the disaster areas. Measures must be firmed up for each household in severely stricken areas and in certain poor mountainous areas. We must not practice equalitarianism in distributing relief grain and funds.
4. Strengthen leadership over the fight against natural disasters and relief work. The provincial CPC Committee and government have decided that responsible comrades of the committee and government and of the provincial organs will lead cadres to each area to serve the effort to fight natural disasters.

LIAONING VICE GOVERNOR INSPECTS FLOOD DAMAGE

SK290825 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 28 Jul 85

[Text] Dandong City was hit by serious floods from 25 to 26 July. On the evening of 27 July, Vice Governor Sun Qi led responsible comrades of the relevant provincial-level departments to Dandong City via a roundabout route. Today Vice Governor Sun Qi and other comrades, accompanied by the leading comrades of Dandong City, inspected the areas seriously affected by disaster in Dandong City's outskirts, including (Jiuliantai), (Hexidian) Village in (Gushan) Township of Kuandian County, and the (Wulian) gold mine.

Reporters learned from the flood prevention command that 42 townships and 253 villages in Dandong City's outskirts suffered disasters. Some 32,600 households were inundated, 980 houses were damaged, 526 persons were injured and 28 persons died.

On the afternoon of 27 July, the Dandong City CPC Committee and government held an emergency meeting to call on all people in Dandong City to go into action vigorously to participate in the struggle to prevent flooding, to carry out rescue and relief work, and to strive to minimize losses. The party organizations and governments at all levels were also urged to make proper arrangements for production and the livelihood of the disaster-stricken masses.

LIAONING LEADER CONDEMN'S UNLAWFUL PARTY MEMBERS

SK290409 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 28 Jul 85

[Text] In his speech delivered at the second-stage party rectification work conference recently held by the provincial CPC Committee with the participation of the secretaries of the city, county, and district party committees, Li Guixian, secretary of the provincial CPC Committee, stated: The party rectification drive is aimed at dealing with major problems in a down-to-earth manner and refraining from conducting the work perfunctorily or superficially.

He continued: In launching the party rectification drive, efforts should be made to expose and correct one by one the old malpractices of "three-monopoly" [san bao] and "three-management" [san guan] and the newly developed malpractices of distributing bonuses arbitrarily, giving material subsidies, conducting price hikes arbitrarily, and of opening of business by the party and government organs. Any party and government organ that has knowingly violated the law and abused justice for bribes will be thoroughly exposed and strictly punished.

Comrade Li Guixian pointed out: To totally deal with these problems, we should first do a good job in realistically conducting self-improvement among leading bodies. He stated: In the course of party rectification, leading personnel should first set examples in the work. After strengthening party spirit themselves, they should educate the broad masses of party members to enhance it. If they commit problems themselves, they should boldly expose and thoroughly correct them in order to set good examples in the drive. Those with no problems should boldly conduct their work in order to struggle for safeguarding the party's purity and fostering new social morale. The leading cadres at their posts, particularly secretaries in charge of party rectification work, should boldly deal with knotty difficulties. They should not be afraid of offending and going against the network of personal relationship and family ties. In dealing with problems concerning party style, we should be bold enough to stir up a nest of hornets and to do away with the network of personal relationship and family ties.

We should thoroughly investigate and deal with the important and serious cases by eliminating various obstacles and interference. We must firmly grasp the important and serious cases exposed by the localities in launching the party rectification drive and get to the bottom of these cases. The party-member cadres who have speculated or swindled, embezzled or robbed public funds and property, engaged in smuggling and trafficking contraband goods, and have degenerated through corrosive influence by taking advantage of conducting reforms and enforcing the open-door policy, must be exposed and dismissed from the party or should be punished in line with the law should they deserve it.

Comrade Li Guixian stated: Some leading cadres of our party have had no sense of discipline, refused to implement the principles and policies issued by the central authorities and the directives that have been repeatedly stressed as important by the central authorities, stuck to their own ways of doing things, and have made decisions for themselves. In blocking new malpractices, some localities and units have deceived their superiors and deluded their subordinates, made fraudulent reports, and have acted according to the transformation drive in public while doing another in private. All of these practices are intolerable. Therefore, the leading comrades of various cities and counties should earnestly investigate these problems.

LIAONING CONTINUES STRUGGLE AGAINST OBSCENITY

SK260315 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 25 Jul 85

[Text] This afternoon, the provincial CPC Committee and the provincial people's government sponsored a telephone conference to make an arrangement for deeply carrying out an overall inspection of obscene articles. Zuo Kun, vice governor of the province, addressed the conference.

The telephone conference is particularly aimed at arousing the leading comrades at all levels to refrain from lowering their guard in checking obscene articles. They should resolutely follow the demand set forth by the provincial CPC Committee, put this work on their important schedule, and should do a good job in carrying out this work in a down-to-earth manner.

The conference pointed out: The inspection work that has begun since the telephone conference of the provincial CPC Committee on 2 July has achieved new development and certain results. The province has hunted down and seized 104 obscene videotapes of 30 categories of which some are extremely dirty. It has also hunted down 85 persons who showed such tapes without official permission, has closed down 45 stores running such business, and has ferreted out 58 criminals. However, the progress of this inspection work throughout the province is uneven and still falls short of the demand set forth by the provincial CPC Committee. In order to deeply implement the provisions issued by the State Council and the spirit of directives issued by the central leading departments concerned, the provincial CPC Committee, and the provincial people's government, the conference put forward the following four demands for the future work:

1. Efforts should be made to further enhance understanding and strengthen leadership over the work of checking obscene articles.
2. Efforts should be made to fully apply various propaganda means to carry out propaganda and educational work in a steady, extensive, and penetrating way.
3. Efforts should be made to concentrate energy and time to accelerate the pace in conducting consolidation and clean-up work.
4. Efforts should be made to accelerate the pace of dealing with cases and to punish the large number of criminals.

At the telephone conference, the leading comrades of the departments concerned in Shenyang and Dandong Cities delivered reports on introducing their work situation and experience gained in checking obscene articles.

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QINGHAI AGRICULTURAL DEVELOPMENT DISCUSSED

HK250414 Xining Qinghai Provincial Service in Mandarin 1100 GMT 19 Jul 85

[Text] On 16 July, the provincial people's government concluded the meeting on agricultural capital construction. The meeting urged the agricultural departments at all levels to proceed from reality and to work out plans of agricultural capital construction in line with local conditions. It also urged them to emphatically take measures in terms of livelihood, projects, and work to supervise the task in a comprehensive way.

The focal point of the task for areas that have sufficient water supply is to coordinate and tap the potential of the province's present water conservancy projects, to build shelter-forests, to develop the small waste beaches, to develop the economic forests, and to practise the garden-style cultivation of irrigated farmland.

[Words indistinct] areas should grow grass and trees on a large scale, increase the area of vegetation and improve the ecological conditions. At the same time, the areas should utilize small brooks and springs to build water conservancy projects, and strive to develop some irrigated land.

The dry mountainous areas that are greatly insufficient in water supply and do not have the conditions for building water conservancy projects should actively build terraced fields and basic farmland, to strengthen the soil's capability of preserving moisture and fertility, and to popularize on a large scale effective dry-land agricultural techniques, such as the application of autumn fertilizer, crop rotation, and cultivation of improved varieties.

The old mountainous areas should focus on afforestation on the waste slopes, and protect and grow forests for conserving water. In the light of the short growing period of crops in the old mountainous areas, we should readjust the plans for growing crops, add the cultivation of fodder, and integrate the agriculture with animal husbandry.

On farmland cultivation, all localities should actively popularize advanced techniques and improve the level of scientific tillage. In addition, the meeting exchanged experiences in giving full play to the economic results of the water conservancy facilities, and implementing the water conservancy supervision responsibility system. The meeting also worked out corresponding measures for implementation.

The meeting was attended by the leaders of the province's agricultural and forestry departments, water conservancy department, Haidong Administrative District, Haisi Autonomous Prefecture, Hainan Autonomous Prefecture, Haibei Autonomous Prefecture, Huangnan Autonomous Prefecture, as well as those on the agricultural fronts in charge of agricultural and water conservancy tasks. Also present was Vice Governor Gabulong.

Radio Comments

HK250416 Xining Qinghai Provincial Service in Mandarin 6100 GMT 19 Jul 85

[Station commentary: "It Is Necessary To Understand Anew Agricultural Capital Construction"]

[Text] To do well in agricultural capital construction is a glorious and arduous task undertaken by the leadership of the province's agricultural departments at all levels, as well as all peasants across the province.

The fulfillment of the task is significant for development of the province's agriculture, putting an end to the poor situation in the rural areas, and quadrupling the gross agricultural output value.

In order to build agriculture under the new situation, we must guide the work with a new ideology, which means that we must strengthen the agricultural capital construction, further improve the productivity of land and the productivity of laborers, and promote the development of commodity economy in the rural areas.

At present, the province's agricultural production is still rather backward. Its per capita grain production is only 500 jin, 37 percent lower than the national average. Some poor areas still have not put an end to the situation of entirely depending on the natural environment. Therefore, the areas have not completely settled the problem of having insufficient food to eat. Facing such a situation, the province's leadership at various levels must firmly establish the thinking of taking agriculture as the foundation, and actively organize the peasants to carry out agricultural capital construction, so as to firmly grasp grain production.

Agricultural capital construction under the new situation is marked by its characteristics. The realm of agricultural capital construction is further expanded: From levelling the land and building water conservancy projects to tackling the livelihood and farming issues in a comprehensive way; and from state and collective investment to mainly self-reliance and being helped by the state's resources. Therefore, we must develop a new understanding. Leadership at all levels must improve their work style, go down to the grass roots and masses, and speak less but do more practical work. When formulating regulations and methods, they should focus on mobilizing the initiative of the peasants. Only thus can we achieve good results in the agricultural capital construction.

CHINA DAILY ON SEMINAR FOR XIAN'S DEVELOPMENT

Part One

HK250709 Beijing CHINA DAILY in English 24 Jul 85 p 4

[Article by staff reporter Li Xiaojia based on an economic seminar recently held in Xian, capital of Shaanxi Province, to work out a strategic development plan for the city and prepare Xian for China's economic transfer westward -- part one]

[Text] Xian, capital of Shaanxi Province, should be developed into a base for the campaign to exploit the vast Northwest. It should prepare for the coming strategic transfer of economic emphasis from the southeastern to the interior northwestern regions. This view was shared by most of the 100 prominent economists and scholars who came to Xian recently to discuss the strategic importance of the city in regional and national economic development.

Economic development has advanced greatly in China's eastern and southeastern regions where most of China's industries are concentrated. The Great Northwest, however, which makes up one third of the country's territory, has long remained underdeveloped and backward. Exploiting the vast Northwest has become an urgent task facing economic policymakers, since the country can no longer afford to ignore the region's abundant natural resources and the huge economic potential of the land, labour force and market there. A transfer of economic emphasis westwards is inevitable in the future.

Xian, as the biggest city and the most important economic centre in this region, obviously has a vital role to play in the strategic transfer.

Xian is located in the centre of China and is the gateway to the northwest. Apart from attracting huge numbers of tourists because of its long history, the city is also an important industrial base where many advanced defence-oriented factories were moved during the 1960s. Last year the State Council granted the Xian municipal government administrative power equivalent to that of a province to enable the city to develop more quickly.

But in spite of all these advantages, Xian still has long way to go to become the leading economic centre of the region. The most important reason for this is that the provincial capital lacks a clear strategic programme for economic development. The municipal government has been unable to work out a proper economic policy and urgently needs help and advice from expert economists. However, during the seven-day seminar, economists and scholars could not agree on what type of a city Xian should become — whether it should be a cultural centre with its focus on tourism or an industrial base for the northwest region. Some representatives, in particular the arts scholars, feel that as an ancient capital, Xian should concentrate on repairing its numerous historic spots and ruins to reproduce the old Changan of more than 1,000 years ago. This would eventually turn Xian into a world tourist attraction with an advanced service industry and modern tourist facilities. They strongly oppose the idea of developing Xian into an industrial city which would destroy Xian and its treasured cultural and historic heritage.

In defence of this view, they argue that planners should concentrate on bringing out the strategic advantages of individual cities rather than following examples. Xian, they say, should not try to match the advanced coastal provinces and cities in industrial production and leave idle its unique tourist advantages. This opinion reflects increasing public concern about protection of cultural and scenic spots and the possible damage to them from modern industry. Last year, the city earned the equivalent of 45 million yuan in foreign currency from tourism and this achievement strengthens the determination among some scholars to give tourism priority.

But other economists disagree. They feel that industry is still the major means to boost the city's economy, and that tourism alone cannot feed the city's 5.5 million people. They argue that Xian needs to introduce new technology into its traditional industries and also develop new industries.

There are good arguments on both sides. In fact, as some representatives have already pointed out, industry and tourism are not necessarily incompatible given proper planning. Developing industry does not necessarily mean destroying the ancient relics and cultural sites. If industrial areas could be kept away from historic spots through coordinated planning efforts, the two could complement one another. Economic policymakers must also remember the city's responsibility in exploiting the vast northwest. Its development should not be isolated but geared to the progress of the whole region. Since Xian cannot compete in industrial production with the coastal regions, it should make use of its unique geographic location to take advantage of the potential markets in the northwest.

Part Two

HK250711 Beijing CHINA DAILY in English 25 Jul 85 p 4

[Article by staff reporter Li Xiaojia based on an economic seminar recently held in Xian, capital of Shaanxi Province, to work out a strategic development plan for the city and prepare Xian for China's economic transfer westward -- part two]

[Text] The Xian municipal government has other problems. The city's industrial technology is outdated and its products are not competitive.

Most enterprises are suffering poor economic results. According to 1983 statistics, Xian ranks last but one among the 25 major cities according to how much it pays to the state in profits and taxes.

Irrational urban construction and industrial layout also contribute to the problems. The city proper, for example, covers only 8.7 per cent of the city's total area but supports 42 per cent of the population and achieves 88.6 percent of the city's industrial product value. The destruction of forest and vegetation have helped make Xian short of water and the present drainage system is not adequate to handle urban sewage. Untreated sewage runs into the rivers, bringing pollution to large areas of farmland. As a major tourist destination, railway and air links to Xian are far from adequate. It is served by only one railway line and is a bottleneck for passengers and freight. The airport is too small and there are too few flights. Besides, the airport is close to the city proper, and the noise upsets residents nearby.

The economic seminar held in the city attributed these problems to four factors: an irrational economic administration system, poor leadership, low productivity and insufficient funds.

Wasted Skills

Since many enterprises in Xian are directly under the administration of government ministries, the Army or the provincial government, Xian's municipal government has no right to interfere with them. This sometimes results in uncoordinated industrial production.

Xian has huge number of scientists, technicians, scholars and other professionals. More than 40 per cent of schools of higher learning in the northwest are in Xian which has 60 per cent of the senior scholars in the region. The proportion of university students in the population is the highest in the nation and the proportion of engineers and technicians is second only to Beijing.

But this is not reflected in productivity, which is estimated to be 18 percent lower than the national average, and many skills are being wasted. The solution to these problems became an important talking-point at the seminar. The representatives suggested that out-of-date technology should be updated by large scale technical transformation, particularly in the textile and machine-building industries.

Meanwhile, Xian must open more to the outside by offering preferential treatment for the import of advanced technology and to attract overseas investment. Greater regional technical cooperation might also bring in new technology. Some factories, especially heavy polluters, must be moved out of the city proper, and the space used for accommodation, roads and other urban construction projects. Several water supply and sewage treatment projects are already under construction.

Raising low productivity could be achieved by: (1) streamlining professional personnel administration and placing intellectuals where their skills can be best used; (2) planning research programmes to avoid duplicated work; (3) offering advanced refresher courses for professionals; (4) training large numbers of skilled workers. Some representatives suggested setting up two economic management institutes at existing colleges to bring new approaches into the city management.

As for the most knotty financial problem -- although the Xian municipal government strongly requested more authority in finance and more financial allocation from the state, the economists felt that Xian must solve this problem on its own instead of depending on state funding. The problem can be eased by practising strict economy, raising productivity and guaranteeing key construction.

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